
Section 68 of the Competition Act 2004

Infringement Decision issued by CCCS

Infringement of the section 34 prohibition in relation to the supply of outward Chinese Yuan remittance services in Singapore

31 July 2025

Case number: CCCS 500-100-2020-003

Confidential information in this Decision is denoted by square parenthesis [⌂].

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EXECUTIVE SUMMARY

1. The Competition and Consumer Commission of Singapore (“**CCCS**”) is issuing an Infringement Decision against the following undertakings in relation to their participation in an anti-competitive agreement and/or concerted practice that has infringed s 34 of the Competition Act 2004 (the “**Act**”):
 - a. ZGR Global Pte. Ltd. (formerly known as Zhongguo Remittance Pte. Ltd.) (“**Zhongguo**”); and
 - b. Hanshan Money Express Pte. Ltd. (“**Hanshan**”),(each a “**Party**” and, collectively, the “**Parties**”).
2. CCCS’s investigations revealed that the Parties had participated in an agreement and/or concerted practice from 1 January 2016 to 22 February 2022 to exchange information on each other’s outward remittance rates for the Chinese Yuan (“**CNY**”) (also known as Ren Min Bi) (the “**Information Exchange Conduct**”). In doing so, the Parties knowingly substituted the risks of price competition in favour of practical cooperation between them and significantly reduced the strategic uncertainty between themselves as to the prevailing outward CNY remittance rate that each of them was offering to customers at any point in time. CCCS finds that the Information Exchange Conduct was, by its very nature, injurious to the functioning of normal competition.
3. Having considered the evidence obtained during the investigation and the Parties’ representations, CCCS finds that the Parties have infringed s 34 of the Act and imposes on Zhongguo and Hanshan financial penalties of SGD2,793,700 and SGD2,571,307 respectively, amounting to a combined total penalty of SGD5,365,007. In determining the penalty amounts, CCCS has taken into consideration relevant matters such as the seriousness of the infringement, relevant aggravating and mitigating factors, where applicable. CCCS has also granted an additional discount to Hanshan for agreeing to the Fast Track Procedure.

CHAPTER 1: THE FACTS

I. The Parties

1. The Competition and Consumer Commission of Singapore (“**CCCS**”) issues this Infringement Decision (“**ID**”) against the following undertakings for their participation in an agreement and/or concerted practice from 1 January 2016 to 22 February 2022 to exchange information relating to outward remittance rates for the Chinese Yuan (“**CNY**”) (also referred to as Ren Min Bi (“**RMB**”)), thereby infringing s 34 of the Competition Act 2004 (the “**Act**”):
 - a. ZGR Global Pte. Ltd. (formerly known as Zhongguo Remittance Pte. Ltd.) (“**Zhongguo**”); and
 - b. Hanshan Money Express Pte. Ltd. (“**Hanshan**”),(each a “**Party**” and, collectively, the “**Parties**”).

A. *ZGR Global Pte. Ltd.*

2. Zhongguo is an exempt private limited company incorporated on 23 August 2006. Its directors and shareholders are Mr. Huang Guanhua and Mr. Ng Chun Lin.¹ Its primary business activity is remittance services. It also provides money exchange services² as a secondary business activity. Zhongguo provides both inward and outward remittance services covering a range of currencies. Zhongguo is also licensed as a “Major Payment Institution”³ by the Monetary Authority of Singapore (“**MAS**”).

B. *Hanshan Money Express Pte. Ltd.*

3. Hanshan is an exempt private limited company incorporated on 18 September 2006. Its sole director and shareholder is Ms. Thng Koon Eng.⁴ Its sole business activity is remittance services. Hanshan provides both inward and outward remittance services

¹ Information extracted from the Accounting and Corporate Regulatory Authority’s (“**ACRA**”) records of ZGR Global Pte. Ltd. on 16 June 2025.

² Retail money exchange services differ from remittance services. From the consumer’s perspective, changing currencies at a money changer involves only the conversion of currencies, ie., the consumer pays over monies in one currency and receives monies in another currency without the sending of monies. Remittance services, by contrast, typically involves both the exchange of one currency to another and the sending of the monies in the second currency (eg. to an overseas recipient’s bank account).

³ According to MAS’s website, major payment institutions provide any combination of regulated payment services, regardless of transactional volume or e-money held. Major payment institutions are subject to more comprehensive regulation than standard payment institutions as the scale of their operations pose greater risks. For example, a major payment institution must comply with requirements to protect its customer’s money. <https://eservices.mas.gov.sg/fid/institution/detail/1686-zhongguo-remittance-pte-ltd>

⁴ Information extracted from the ACRA records of Hanshan Money Express Pte. Ltd. on 16 June 2025.

covering a range of currencies. Hanshan is also licensed as a Major Payment Institution⁵ by MAS.

II. Background to the remittance industry

4. “Remittance services” broadly refers to the act of sending money from one party to another, often across national borders. It may additionally involve the exchange of one currency to another for the purposes of cross-border money transfer. These payments are often associated with migrant workers sending money back to their country or community of origin.⁶ There are two main categories of remittance – outward remittance and inward remittance. In the Singapore context, outward remittance refers to money in Singapore being sent overseas, while inward remittance refers to money outside of Singapore being sent to Singapore. These are also known as cross border money transfer services.⁷

A. *The remittance process*

5. For customers in Singapore looking to remit money overseas, the process broadly involves three distinct steps: (1) going to a remittance service provider; (2) checking the relevant remittance rate associated with the amount to be remitted; and (3) completing the remittance transaction (ie. remitting the money).⁸ There are multiple channels available to customers looking to remit money, even with the same remittance service provider.

B. *Remittance transaction channels*

6. The most common channel⁹ for remittance is remitting physically over the counter, where customers proceed to the physical counter of a remittance service provider to enquire about the applicable remittance rate before deciding whether to proceed to complete the remittance transaction with that particular remittance service provider. Some remittance service providers also provide alternative options, such as remitting online via a web transaction portal, through the service provider’s mobile application or via phone call.¹⁰ The relevant remittance rates applicable to these alternative channels

⁵ According to MAS’s website, major payment institutions provide any combination of regulated payment services, regardless of transactional volume or e-money held. Major payment institutions are subject to more comprehensive regulation than standard payment institutions as the scale of their operations pose greater risks. For example, a major payment institution must comply with requirements to protect customer money. <https://eservices.mas.gov.sg/fid/institution/detail/1704-hanshan-money-express-pte-ltd>

⁶ Zhongguo’s Response dated 22 September 2022 to CCCS’s s63 Notice dated 5 August 2022, question 11c; NOI of Wu Wenxi dated 7 December 2013, Q134; NOI of Wang Chun Yan dated 8 January 2024, Q166; NOI of Zhang Lei dated 12 January 2024, Q183; NOI of Chua Poh Eng dated 8 January 2024, Q192.

⁷ Part 3 of the First Schedule of the Payment Services Act 2019.

⁸ NOI of Huang Guanhua (Zhongguo) dated 12 July 2021, Q21.

⁹ [3<].

¹⁰ NOI of Huang Guanhua (Zhongguo) dated 12 July 2021, Q18; and Hanshan’s Response dated 15 September 2023 to CCCS’s s 63 Notice dated 15 August 2023, at paragraph 4.1.

will typically be conveyed via the same channel (for example, customers looking to remit monies via a remittance provider's web transaction portal will have to rely on the relevant remittance rate stated on the portal, and customers choosing to remit monies via phone call will have to rely on the relevant remittance rate quoted over the phone and not from other sources such as the remittance service provider's website).

7. Regardless of the remittance channel used, customers will need to be onboarded with a remittance service provider before they can complete their remittance transaction with the service provider. This generally involves the remittance service provider performing Know Your Customer (“**KYC**”) or customer due diligence checks such as checking the customer's identity against the customer's identification document and asking for the source of the customer's funds.¹¹ For the Parties, onboarding of customers is typically done physically over the counter, which in turn means that for customers looking to remit monies, they would usually have to complete their first remittance transaction physically, before being able to utilise the other alternative channels offered by the relevant Party.¹²

C. Remittance rates

8. A key factor that customers consider when selecting a remittance service provider is the relevant remittance rate for their remittance transaction.¹³ The “remittance rate” refers to the amount of foreign currency exchanged and remitted per the amount of the local currency paid (for example, a remittance rate of “5.00” for a CNY remittance means 5 CNY will be remitted to the target overseas bank account or e-wallet for each Singapore dollar (“**SGD**”) paid to the remittance service provider). Although similar, “remittance rates” should not be confused with “exchange rates” where the latter refers only to the rates applied to the buying and selling of a pair of currencies (exclusive of sending the money across borders), such as those rates offered by retail money changers. While remittance rates and exchange rates are both denoted in terms of the local currency (eg. SGD) and the foreign currency (eg. CNY) to be exchanged,¹⁴ remittance rates may not necessarily follow exchange rates closely.¹⁵ This is due to a variety of factors, such as the costlier and lengthier process of remittance. For instance, remittance service providers have to convey remittance instructions to the foreign financial institution where

¹¹ MAS Notice PSN01, paragraphs 15.3 to 15.6; NOI of Thng Koon Eng (Hanshan) dated 12 July 2021, Q21 and 24; Hanshan's Response dated 15 September 2023 to CCCS's s 63 Notice dated 15 August 2023, at paragraph 4.1; and NOI of Wu Wenxi (Zhongguo) dated 7 December 2023, Q224.

¹² NOI of Thng Koon Eng (Hanshan) dated 12 July 2021, Q24; Hanshan's Response dated 15 September 2023 to CCCS's s 63 Notice dated 15 August 2023, at paragraph 4.1; NOI of Huang Guanhua (Zhongguo) dated 12 July 2021, Q19 and 21.

¹³ NOI of Wu Wenxi (Zhongguo) dated 7 December 2023, Q164; NOI of Zhong Wanshan (Zhongguo) dated 21 November 2023, Q158; NOI of Sun Lin Lin (Zhongguo) dated 12 December 2023, Q147; and NOI of Chua Poh Eng (Hanshan) dated 12 January 2024, Q71.

¹⁴ For example, outward remittance rates of “5.00” refers to 5 CNY remitted to the target bank account or e-wallet for each 1 SGD paid to the remittance service provider, while exchange rate of “5.00” means 5 CNY received for each 1 SGD paid to the money changer.

¹⁵ NOI of Huang Guanhua (Zhongguo) dated 12 July 2021, Q123.

the recipient resides.¹⁶ It is also conceivable that, to complete a remittance transaction involving SGD to CNY, a remittance service provider may also have to transact through other currencies such as United States Dollars (“USD”) (ie. exchanging SGD for USD, before exchanging USD for CNY).¹⁷ Overall, a higher outward remittance rate is better for the customer, as more money in the intended currency will be received by the recipient for the same amount of local currency the sender remits.

9. Remittance rates can vary throughout the course of a day. This is in part due to fluctuations in relevant exchange rates between currencies that impact a remittance service provider’s costs or margins.¹⁸ Typically, remittance service providers will start their operations for the day with an initial rate (also known more informally as an “opening rate”)¹⁹ before adjusting the remittance rate throughout the day according to various factors, such as fluctuations in currency exchange rates or after observing remittance rates of other remittance service providers.²⁰ Remittance rates of individual remittance service providers may therefore change multiple times a day, depending on prevailing market conditions.
10. Besides remittance rates, customers can also be charged an additional service fee (sometimes known as “postage” or “cable”) for their remittance transactions. The service fee charged may differ according to the currency remitted. For an example of the types of charges customers would typically incur when completing a remittance transaction, see Figure 1 below.

¹⁶ For example, depending on the financial intermediary used to complete the remittance transaction or the difficulty of the remittance transaction, the corresponding remittance rate offered to customers by remittance service providers can vary. NOI of Huang Guanhua (Zhongguo) dated 12 July 2021, Q27.

¹⁷ NOI of Huang Guanhua (Zhongguo) dated 12 July 2021, Q99.

¹⁸ NOI of Huang Guanhua (Zhongguo) dated 12 July 2021, Q31.

¹⁹ NOI of Huang Guanhua (Zhongguo) dated 12 July 2021, Q108. NOI of Thng Koon Eng (Hanshan) dated 12 July 2021, Q76. NOI of Sun Lin Lin (Zhongguo) dated 20 November 2023, Q154.

²⁰ NOI of Huang Guanhua (Zhongguo) dated 12 July 2021, Q102, 130 and 173. NOI of Thng Koon Eng (Hanshan) dated 12 July 2021, Q76 and 82. NOI of Sun Linlin (Zhongguo) dated 20 November 2023, Q154 and 155.

Figure 1: Image of Hanshan's remittance slip²¹

汉生快速汇款公司
汇款申请书

汇款人姓名 Name: [Redacted]
详细地址 Full Address: [Redacted]
电话 Tel: [Redacted]
银行 Bank: 民生银行
分行 Branch: 江苏省淮安市
银行账号 Account No.: [Redacted]
申请人 Applicant: [Redacted]
住址 Address: [Redacted]
国籍 Nationality: CHINESE
身份证/护照/驾照 IC / WP / PP: [Redacted] 电话 Tel: [Redacted]

新加坡金融管理局汇款许可证 RA No. 01369
ACRA Registration No. 200613736M
征办机构专用 FOR OFFICIAL USE

关系 Relationship: WIFE - 妻子
用途 Purpose: Repatriation of salary / 工. 中
款项来源 Source of fund: SALARY / 薪水
汇率 Rate: 4.8300
新币 SGD: 2,582.00
货币金额 Forex/Amt: 12,471.00 (RMB)
邮/电费 Postage / Cable: 18.00
合计 Total: 2,600.00
日期 Date: 05-07-2021 编号 Ref: 13121278

☐ 我申明以上款项均为本人合法收入, 并非洗钱所得。
I declare that I am the beneficial owner of this fund and it is not a proceed of serious crimes

☐ 现金 Cash ☐ 支票 Cheque - 支票 No. _____ 付款银行 Bank: _____

Hanshan Money Express Pte Ltd
• 总行: #02-08/09 新加坡 059108 电话: 65388280 传真: 64387088
• 办事处: 丹戎巴葛 #02-57/58 新加坡 058108

申请人签名 Applicant's Signature: [Redacted]

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D. The remittance industry in Singapore

11. Remittance is a significant industry in Singapore. According to a Statista report²² (“**Statista Report**”), the amount of remittance sent from Singapore to other countries in the year 2021 was more than USD6 billion (approximately SGD8 billion²³). More than one-third of this amount was sent to China, making China the largest destination for outward remittance in Singapore.
12. There is a myriad of remittance service providers in Singapore. Customers may choose to complete their remittance transactions at service providers such as multi-national money remittance service providers, fintech remittance service providers, traditional

²¹ NOI of Thng Koon Eng (Hanshan) dated 12 July 2021, Q25, TKE-003.

²² Statista report on “Value of remittances sent from/to Singapore to/from other countries or territories worldwide in 2021 (in millions of U.S. dollars)”. Extracted on 28 December 2023 at: <https://www.statista.com/statistics/1382725/bilateral-remittances-singapore/>

²³ According to MAS’s website, the average USD-SGD exchange rate in year 2021 was 1: 1.344.

banks, or retail remittance service providers.²⁴ While most remittance service providers are able to offer remittance services to multiple recipient countries in their associated currencies, remittance service providers may find themselves carrying out more transactions in relation to certain recipient countries and their associated currencies depending on the needs of their customers.²⁵ In the case of the Parties, CNY remittance transactions form a significant proportion of their remittance transactions.²⁶

13. To complete a remittance transaction, retail remittance service providers have to: (1) receive a remittance request from a customer, including the destination account for the remittance; (2) collect the requisite sum from the customer in local currency; (3) convert the local currency to the relevant currency; and (4) transfer the appropriate sum in the relevant currency to the destination account via their partner remitting agents, eg. banks.²⁷ Retail remittance service providers may give customers a choice of how they want their funds transferred.
14. Depending on the intended destination, the remittance service provider may or may not be holding onto existing stocks of the relevant currency, which affects the remittance rate that they charge to the customer. If the remittance service provider frequently deals with remittance transactions to a particular country, the remittance service provider may choose to purchase the relevant currency in bulk in advance. Purchasing or stockpiling a target currency even before customer orders are received is known as “prefund” or “prefunding” a currency.²⁸ For currencies that are not prefunded, the remittance rate offered by the remittance service provider to customers is determined by applying a mark-up to the prevailing rates charged by the partner remitting agent to the service provider at the time of the remittance request.²⁹
15. As set out earlier, customers in Singapore looking to remit monies can do so via different remittance service providers and different channels. In the present case, both Hanshan and Zhongguo are established and significant CNY remittance service providers.³⁰ Both Hanshan and Zhongguo operate at a shopping mall named People’s Park Complex

²⁴ For example, multi-national money remittance service providers such as Western Union; fintech remittance service providers such as Panda Remit, TransferWise and Moneygram; traditional banks such as DBS Bank, China Construction Bank and Bank of China; and retail remittance service providers such as the Parties. Hanshan’s Voluntary Submissions dated 1 August 2022, at paragraph 17.

²⁵ NOI of Huang Guanhua (Zhongguo) dated 12 July 2021, Q15 to 17; and NOI of Thng Koon Eng (Hanshan) dated 12 July 2021 Q17 to 19.

²⁶ Hanshan’s response dated 14 December 2023 to CCCS’s s 63 Notice dated 22 November 2023, at paragraphs 1.2 and 1.3; and Zhongguo’s response dated 11 November 2022 to CCCS’s s 63 Notice dated 27 October 2022, Q19(b).

²⁷ Zhongguo’s response dated 30 June 2023 to CCCS’s s 63 Notice dated 13 June 2023, Q6.

²⁸ NOI of Thng Koon Eng (Hanshan) dated 12 July 2021, Q49, 56 and 62; and Zhongguo’s response dated 30 June 2023 to CCCS’s s 63 notice dated 13 June 2023, Q6.

²⁹ NOI of Thng Koon Eng (Hanshan) dated 12 July 2021, Q69 and 71.

³⁰ Zhongguo has been operating in People’s Park Complex (“PPC”) since 2000 and Hanshan has been operating in PPC since 2006 (NOI of Huang Guanhua (Zhongguo) dated 12 July 2021, Q10, 43 and 47; NOI of Thng Koon Eng (Hanshan) dated 12 July 2021, Q16). In addition, see paragraph 273 of the ID.

(“PPC”) in Chinatown where other remittance service providers also operate.³¹ Hanshan and Zhongguo are located adjacent to each other.³²

Figure 2: Image showing Zhongguo and Hanshan’s shopfronts in PPC³³



16. Remittance service providers compete for customers on a variety of factors. Remittance rates, being part of the price paid by customers to carry out remittance service, is a key factor of competition between remittance service providers.³⁴ Apart from remittance rates, customers may also consider other factors such as the speed of remittance, the safety and reliability of the remittance service and intangibles such as customer service when choosing a remittance service provider.³⁵

III. Investigations and proceedings

17. On 16 April 2020, CCCS commenced an investigation under s 62 of the Act, following a complaint received from a member of the public. During the course of the investigation (which spanned the COVID-19 period), CCCS undertook the following investigative steps.
18. CCCS gathered information about the Parties and their remittance businesses and periodically monitored the Parties’ remittance rates on their respective websites. In

³¹ According to MAS’s website, some remittance service providers presently operating in PPC are: Hanshan, Zhongguo and Paygo International. Other remittance service providers that had operated in PPC previously included Fast and Safe remittance Pte. Ltd. (Jiean) (“**Fast & Safe**”) and AAA Money Pte. Ltd. (“**AAA Money**”). Fast & Safe had started operating in PPC since 2019 while AAA Money had started operating in PPC between 2018 to 2019 (NOI of Wu Wen Xi (Zhongguo) dated 7 December 2023, Q228; Fast & Safe’s Response dated 24 January 2024 to CCCS’s s 63 Notice dated 8 January 2024, Q1).

³² Fast & Safe is also located on the same floor next to Hanshan.

³³ Image taken by CCCS officers on 30 January 2024.

³⁴ NOI of Wu Wenxi (Zhongguo) dated 7 December 2023, Q164; NOI of Zhong Wanshan (Zhongguo) dated 21 November 2023, Q158; NOI of Sun Lin Lin (Zhongguo) dated 12 December 2023, Q147; and NOI of Chua Poh Eng (Hanshan) dated 12 January 2024, Q71.

³⁵ NOI of Sun Linlin (Zhongguo) dated 16 November 2023, Q177; NOI of Shi Ze (Zhongguo) dated 9 January 2024, Q34 and 35; NOI of Wu Wenxi (Zhongguo) dated 7 December 2023, Q164; and NOI of Wang ChunYan (Hanshan) dated 12 January 2024, Q27.

addition, CCCS conducted interviews under s 63 of the Act with the management and employees of the Parties, and with the employee of one other remittance service provider operating at PPC. A complete list of interviews conducted is set out in **Annex A**.

19. Concurrently, CCCS issued notices pursuant to s 63 of the Act to the Parties, requiring them to provide documents and information that were relevant for the investigation. These documents include Zhongguo's internal company WhatsApp chat logs and the Parties' financial statements. Zhongguo's WhatsApp chat logs were provided by Zhongguo's employees to CCCS in person on 28 November 2022, in order to ensure that a complete and accurate set of chat logs was retrieved directly from Zhongguo's company phones.³⁶
20. In addition, CCCS issued notices pursuant to s 63 of the Act to: (i) various other remittance service providers operating at PPC, in order to obtain more information on the industry for the provision of remittance services; and (ii) retrieve call records for phones that were used by the Parties' employees to communicate with each other.
21. Further, Hanshan provided CCCS with a set of voluntary submissions on 1 August 2022 to assist CCCS's understanding of Hanshan's business practices on setting, adjusting and publishing its outward CNY remittance rates, as well as Hanshan's dealings with Zhongguo (including the Information Exchange Conduct).
22. On 25 November 2024, CCCS sent each Party a notice of CCCS's Proposed Infringement Decision ("**PID**"). Pursuant to this notice, the Parties were afforded an opportunity to make representations to CCCS on the PID. The Parties were also given access to CCCS's file on 23 December 2024 following the submission of their respective confidentiality claims. CCCS received written representations on the PID from Zhongguo on 11 February 2025 and from Hanshan on 21 February 2025.
23. On 11 April 2025, CCCS sent each Party a notice of CCCS's Supplementary Proposed Infringement Decision ("**SPID**"). The SPID set out a revised methodology that CCCS proposed to adopt to calculate the Parties' net gain from outward CNY remittance, which is a component of the Parties' relevant turnover. The Parties were given further access to CCCS's file³⁷ on the same day. Zhongguo confirmed on 24 April 2025 that it would not be submitting written representations on the SPID, whilst Hanshan put in its written representations on the SPID on 29 April 2025.

³⁶ A source of information that was relied on for the purposes of this ID, namely the original copies of Zhongguo's internal company WhatsApp chat logs, was in the Chinese language. While Zhongguo had provided CCCS with English translations of these WhatsApp chat logs pursuant to Regulation 24 of the Competition Regulations 2007, CCCS noted that there were numerous inaccuracies in the English translations provided, as well as inconsistencies in terminologies used. Where appropriate, CCCS had sought clarifications from Zhongguo's staff through interviews on the meaning of various Chinese terms used in the WhatsApp chat logs.

³⁷ Access was given in respect of additional files that CCCS had referred to in preparing the SPID.

24. On 7 July 2025, Hanshan signed a Fast Track Agreement with CCCS under the Fast Track Procedure. By signing the Fast Track Agreement, Hanshan, amongst other things, admitted to its involvement in the infringement and its liability for infringing the Act.

CHAPTER 2: LEGAL AND ECONOMIC ASSESSMENT

25. This section sets out the legal and economic framework in which CCCS has considered the information and evidence it has received during the course of its investigation.

I. The section 34 prohibition

26. S 34 of the Act prohibits agreements between undertakings, decisions by associations of undertakings or concerted practices which have as their object or effect the prevention, restriction or distortion of competition within Singapore (the “**section 34 prohibition**”).
27. In interpreting the section 34 prohibition, decisions from the United Kingdom (“**UK**”) and European Union (“**EU**”) are highly persuasive due to the similarities of the relevant provisions of their respective competition laws with the Act.³⁸
28. Each of the Parties constitutes an “*undertaking*” for the purposes of the Act as each of the Parties carries on commercial or economic activities relating to, amongst other things, the provision of outward remittance services for CNY.³⁹

II. Agreements and/or concerted practices

29. The section 34 prohibition applies to both agreements and concerted practices.
30. “Agreement” in the section 34 prohibition has a wide meaning and includes both legally enforceable and non-enforceable agreements, whether written or oral; formal or informal including so-called gentlemen’s agreements. The form of the agreement is irrelevant. An agreement may be found where it is implicit from the participants’ behaviour. All that is required is that parties arrive at a consensus on the actions that each party will, or will not, take.⁴⁰
31. For an agreement to exist, it “*is sufficient that the undertakings in question should have expressed their joint intention to conduct themselves on the market in a specific way*”.⁴¹ In *Pre-Insulated Pipe Cartel*,⁴² the European Commission (“**EC**”) held:

³⁸ *Re Pang’s Motor Trading v Competition Commission of Singapore, Appeal No. 1 of 2013* [2014] SGCAB 1 (“*Pang’s Motor Trading*”), at [33].

³⁹ Competition Act 2004, s 2.

⁴⁰ These principles are set out in *CCCS Guidelines on the Section 34 Prohibition* (“*CCCS Section 34 Guidelines*”), at paragraph 2.10.

⁴¹ Case T-7/89 *SA Hercules Chemicals NV v Commission* [1991] ECR II-1711 (“*Hercules Chemicals*”), at [256].

⁴² COMP IV/35.691/E.4 *Pre-Insulated Pipe Cartel* [1999] OJ L24/50, at [134].

An agreement for the purposes of Article [101(1)]⁴³ may also fall well short of the certainty required for the enforcement of a commercial contract. Its exact terms may never be expressed: the fact of agreement will have to be inferred from all the circumstances. The divergent interests of the cartel members may also preclude a full consensus on all issues. One or other party may have reservations about some particular aspect of the arrangement while still adhering to the common enterprise. Some aspects may deliberately be left vague or undefined. It may be that the parties agree (expressly or tacitly) to adopt a common plan and that they have to meet on a continuing basis to work out the details, alter or amend it from time to time or resolve particular difficulties.

Formal agreement may never be reached on all matters. Agreements in one area may exist alongside conflicts in another. Competition may not be completely eliminated.

The participants may also show varying degrees of commitment to the common scheme. One may exercise a dominant role as ringleader. There may be internal conflicts and rivalries. Some members may even cheat. There could be outbreaks of fierce competition and even ‘price wars’ from time to time.

None of these elements will however prevent the arrangement from constituting an agreement/concerted practice for the purposes of Article [101(1)] where there is a combination of parties with a single common and continuing objective...

32. Even if parties do not enter into an agreement, a concerted practice would still exist if parties knowingly substitute the risks of competition for practical cooperation between them.⁴⁴

33. In *Dyestuffs*,⁴⁵ the European Court of Justice (“**ECJ**”) observed that:

64 Article [101] draws a distinction between the concept of ‘concerted practices’ and that of ‘agreements between undertakings’ or of ‘decisions by associations of undertakings’; the object is to bring within the prohibition of

⁴³ Article 101 of the Treaty on the Functioning of the European Union is the functional equivalent to s 34 of the Act. It originally began as Article 85 under the Treaty of Rome in 1957, which was later amended to Article 81 under the Treaty of Amsterdam in 1997 and finally to the current Article 101 under the Treaty of Lisbon in 2007. As such, references to the equivalent Article in cases before 2007 are reflected as Article 101.

⁴⁴ Case 48/69 *ICI v Commission* [1972] ECR 619 (“*Dyestuffs*”) at [64], Joined Cases 40 to 48, 50, 54 to 56, 111, 113 and 114-73 *Coöperatieve Vereniging “Suiker Unie” UA and others v Commission* [1975] ECR 1663 (“*Suiker Unie*”) at [26] to [28], *Apex Asphalt and Paving Co Limited v Office of Fair Trading* [2005] CAT 4 at [196].

⁴⁵ *Dyestuffs* at [64]-[65].

that article a form of coordination between undertakings which, without having reached the stage where an agreement properly so-called has been concluded, knowingly substitutes practical cooperation between them for the risks of competition.

65 By its very nature, then, a concerted practice does not have all the elements of a contract but may inter alia arise out of coordination which becomes apparent from the behaviour of the participants.

34. Further, EU jurisprudence has established that there can be a concerted practice even when only one competitor informs the other party of its future intentions or conduct on the market. In *Cimenteries*⁴⁶, the European Court of First Instance (“**CFI**”) held:

1849 In that connection, the Court points out that the concept of concerted practice does in fact imply the existence of reciprocal contacts (Opinion of Advocate General Darmon in *Woodpulp II*, cited at paragraph 697 above, points 170 to 175). ***That condition is met where one competitor discloses its future intentions or conduct on the market to another when the latter requests it or, at the very least, accepts it.***

...

1852 In order to prove that there has been a concerted practice, it is not therefore necessary to show that the competitor in question has formally undertaken, in respect of one or several others, to adopt a particular course of conduct or that the competitors have colluded over their future conduct on the market. ... It is sufficient that, by its statement of intention, the competitor should have eliminated or, at the very least, substantially reduced uncertainty as to the conduct to expect of the other on the market ... [emphasis added]

35. The fundamental principle in competition law is that economic operators must act independently when determining their conduct in the market, as emphasised by the ECJ in *Suiker Unie*:⁴⁷

173 The criteria of coordination and cooperation laid down by the case-law of the Court, which in no way require the working out of an actual plan, must be understood in the light of the concept inherent in the provisions of the Treaty relating to competition ***that each economic operator must determine independently the policy which he intends to adopt on the common market***

⁴⁶ Joined Cases T-43/95, T-44/95, T-45/95, T-46/95, T-48/95, T-50/95, T-51/95, T-52/95, T-53/95, T-54/95, T-55/95, T-56/95, T-57/95, T-58/95, T-59/95, T-60/95, T-61/95, T-62/95, T-63/95, T-64/95, T-65/95, T-68/95, T-69/95, T-70/95, T-71/95, T-87/95, T-88/95, T-103/95 and T-104/95 *Cimenteries CBR and Others v Commission* [2000] ECR II-491 (“*Cimenteries*”), at [1849].

⁴⁷ *Suiker Unie* at [173] and [174].

including the choice of the persons and undertakings to which he makes offers or sells.

174 Although it is correct to say that this requirement of independence does not deprive economic operators of the right to adapt themselves intelligently to the existing and anticipated conduct of their competitors, *it does however strictly preclude any direct or indirect contact between such operators, the object or effect whereof is either to influence the conduct on the market of an actual or potential competitor or to disclose to such a competitor the course of conduct which they themselves have decided to adopt or contemplate adopting on the market.* [emphasis added]

36. The principle that each economic operator must independently determine the policy it intends to adopt has also been stated by CCCS in its previous decisions.⁴⁸
37. Further, as noted by CCCS in its previous decisions⁴⁹ and upheld by the Competition Appeal Board (“CAB”) on appeal⁵⁰, it is not necessary for the purposes of finding an infringement to characterise conduct as exclusively an agreement or a concerted practice.⁵¹ The conduct of undertakings is capable of being both a concerted practice and an agreement.⁵²

III. Object or effect of preventing, restricting or distorting competition

(1) “Object” or “effect” are alternative and not cumulative requirements

38. S 34(1) of the Act prohibits “... agreements between undertakings ... or concerted practices, which have as their object or effect the prevention, restriction or distortion of competition within Singapore”. In accordance with the plain reading of the section, “object” and “effect” are alternative and not cumulative requirements. This has been affirmed by the CAB in *Pang’s Motor Trading*, where the phrase “object or effect” was considered disjunctive in nature.⁵³

⁴⁸ See *Re Certain Pest Control Operators in Singapore* [2008] SGCCS 1 (“**Pest Control**”) at [42]; *Re Price Fixing in Bus Services from Singapore to Malaysia and Southern Thailand* [2009] SGCCS 2 (“**Express Bus Operators**”) at [50]; and *Re CCS Imposes Penalties on Ball Bearings Manufacturers involved in International Cartel* [2014] SGCCS 5 (“**Ball Bearings**”) at [35].

⁴⁹ See *Pest Control* at [44] to [47], *Express Bus Operators* at [55] to [58], *Re Collusive Tendering (Bid-Rigging) in Electrical and Building Works* [2010] SGCCS 4 (“**Electrical Works**”), at [45] to [47] and *Freight Forwarding Case*, at [107] to [110].

⁵⁰ *Re Price Fixing in Bus Services from Singapore to Malaysia and Southern Thailand: Konsortium Express and Tours Pte Ltd, Five Stars Tours Pte Ltd, GR Travel Pte Ltd and Gunung Travel Pte Ltd* [2011] SGCAB 1 (“**Express Bus Operators Appeals Nos. 1 and 2**”).

⁵¹ Case IV/37.614/F3 *The Community v Interbrew NV and others (re The Belgian Beer Cartel)* [2004] CMLR 2, at [223]; and Case C-238/05 *Asnef-Equifax* [2006] ECR I-11125 EU:C:2006:734, at [32].

⁵² *Hercules Chemicals* at [264]. See also *JJB Sports plc and Allsports Limited v Office of Fair Trading* [2004] CAT 17 (“**JJB Sports**”) at [644].

⁵³ *Pang’s Motor Trading*, at [30].

39. Thus, for the purposes of applying s 34 of the Act, once it has been established that the object of an agreement and/or concerted practice is to prevent, restrict or distort competition within Singapore, CCCS does not have to demonstrate the anti-competitive effects of that agreement or concerted practice.⁵⁴

40. This is consistent with EU and UK jurisprudence, which has established that where the object of an agreement being pursued is to prevent, restrict or distort competition, there can be an infringement even if the agreement does not have an effect on the market.⁵⁵

(2) *Object of restricting, preventing or distorting competition*

41. It is well established in EU jurisprudence that the finding of an infringement by “*object*” is grounded in the principle that certain types of coordination between undertakings can be regarded, by their very nature, as being injurious to the proper functioning of normal competition.⁵⁶ CCCS also takes this approach as reflected at paragraphs 2.23 and 2.24 of the *CCCS Section 34 Guidelines* – where agreements involving restrictions of competition by object will always have an appreciable adverse effect on competition.

42. Subjective intentions of the parties to restrict competition can be taken into account in the assessment, but are not necessary for finding that an agreement or concerted practice has an anti-competitive object.⁵⁷

43. Furthermore, an agreement and/or concerted practice may be regarded as having a restrictive object even if it purports to pursue other legitimate aims. The fact that the undertakings involved in an agreement and/or concerted practice acted without a subjective intent to prevent, restrict or distort competition, or that they pursued certain legitimate objectives, are not decisive for the purposes of the application of the section 34 prohibition.⁵⁸ In *Competition Authority v Beef Industry Development Society Ltd and Barry Brothers (Carrigmore) Meats Ltd (“Irish Beef”)*⁵⁹, the Beef Industry Development Society argued that the arrangements in question were not anti-competitive in purpose or injurious to consumers or competition, but rather were intended to rationalise the beef industry in order to make it more competitive by reducing production overcapacity.

⁵⁴ This is explained in the *CCCS Section 34 Guidelines*, at paragraph 2.22.

⁵⁵ Case T-148/89 *Tréfilunion SA v Commission* [1995] ECR II-1063, at [79]; Case C-199/92 *Hüls AG v Commission* [1999] ECR I-4287, at [163] to [165]; and *Argos Limited and Littlewoods Limited v Office of Fair Trading* [2004] CAT 24, at [357].

⁵⁶ Case C-67/13 P *Groupeement des cartes bancaires (CB) v European Commission* [2014] 5 CMLR 2 (“*Cartes Bancaires*”), at [50].

⁵⁷ *Cartes Bancaires*, at [54].

⁵⁸ C-124/21 P *International Skating Union v Commission* EU:C:2023:1012, at [107].

⁵⁹ Case C-209/07 *Competition Authority v Beef Industry Development Society Ltd and Barry Brothers (Carrigmore) Meats Ltd* [2008] ECR I-8637; [2009] 4 CMLR 6 (“*Irish Beef*”).

The ECJ rejected this argument and held that:⁶⁰

21 In fact, to determine whether an agreement comes within the prohibition laid down in art. [101(1)] EC, close regard must be paid to the wording of its provisions and to the objectives which it is intended to attain. In that regard, *even supposing it to be established that the parties to an agreement acted without any subjective intention of restricting competition, but with the object of remedying the effects of a crisis in their sector, such considerations are irrelevant for the purposes of applying that provision. Indeed, an agreement may be regarded as having a restrictive object even if it does not have the restriction of competition as its sole aim but also pursues other legitimate objectives* (*General Motors* [2006] 5 C.M.L.R. 1 at [64] and the case law cited). [emphasis added]

IV. Exchange of information

44. It has been found in CCCS's infringement decisions, as well as held in numerous EU and UK cases, that the disclosure or exchange of information between competitors can be considered a restriction of competition by object. In other words, certain exchanges of information can be regarded, by their very nature, as being harmful to the proper functioning of normal competition.
45. As to what types of exchanges of information would be considered as restrictions of competition by object, the UK Competition Appeal Tribunal ("**CAT**") in *Lexon (UK) Limited v Competition and Markets Authority* ("**Lexon**")⁶¹ provided a summary of the pertinent legal principles after surveying various EU and UK case authorities, including *T-Mobile Netherlands and Others v Raad van bestuur van de Nederlandse Mededingingsautoriteit* (ECJ) ("**T-Mobile**")⁶², *Dole Food and Dole Fresh Fruit Europe v Commission* (ECJ) ("**Dole Food (ECJ)**")⁶³, *Koninklijke Philips NV v Commission* (GC) ("**Koninklijke Philips**")⁶⁴, *Balmoral Tanks Limited and Others v Competition and Markets Authority* (CAT)⁶⁵ and *Balmoral Tanks Limited and Others v Competition and Markets Authority* (Court of Appeal)⁶⁶:

187. The principles that we draw from these authorities are as follows:

⁶⁰ *Irish Beef*, at [21]. See also Case 96/82 *IAZ International Belgium v Commission* [1983] ECR 3369, at [22] to [25].

⁶¹ *Lexon (UK) Limited v Competition and Markets Authority* [2021] CAT 5 ("**Lexon**"), at [181].

⁶² C-8/08 *T-Mobile Netherlands and Others v Raad van bestuur van de Nederlandse Mededingingsautoriteit*, EU:C:2009:343 ("**T-Mobile**").

⁶³ C-286/13 P *Dole Food and Dole Fresh Fruit Europe v Commission*, EU:C:2015:184 ("**Dole Food (ECJ)**").

⁶⁴ Case T-762/14 *Koninklijke Philips NV v Commission* EU:T:2016:738 ("**Koninklijke Philips**").

⁶⁵ *Balmoral Tanks* (CAT).

⁶⁶ *Balmoral Tanks Limited and Others v Competition and Markets Authority* [2019] EWCA Civ 162.

- (1) Each economic operator must determine independently the policy which it intends to adopt including the choice of the persons and undertakings to which it makes offers or sells: (*T-Mobile*, paragraph 32; *Dole*, paragraph 119; *Philips GC*, paragraph 60; *Balmoral CAT*, paragraph 38; and *Balmoral CoA*, paragraph 17).
- (2) This requirement of independence does not deprive economic operators of the right to adapt themselves intelligently to the existing or anticipated conduct of their competitors. ***It does however strictly preclude any direct or indirect contact between such operators by which an undertaking may influence the conduct on the market of its actual or potential competitors or disclose to them its decisions or intentions concerning its own conduct on the market where the object or effect of such contact is to create conditions of competition which do not correspond to the normal conditions of competition in the market in question, regard being had to the nature of the products or services offered, the size and number of the undertakings involved and the volume of that market:*** (*T-Mobile*, paragraph 33; *Dole*, paragraph 120; *Philips GC*, paragraph 61; *Balmoral CAT*, paragraph 38; and *Balmoral CoA*, paragraph 17).
- (3) ***The exchange of information between competitors is incompatible with the competition rules if it reduces or removes the degree of uncertainty as to the operation of the market in question, with the result that competition between undertakings is restricted:*** (*T-Mobile*, paragraph 35; *Dole*, paragraph 121; *Balmoral CAT*, paragraphs 39, 82 and 119; and *Balmoral CoA*, paragraph 17).
- (4) ***An exchange of information which is capable of removing uncertainty between participants as regards the timing, extent and details of the modifications to be adopted by the undertakings concerned in their conduct on the market must be regarded as pursuing an anticompetitive object:*** (*T-Mobile*, paragraph 41; *Dole*, paragraph 122; *Philips GC*, paragraph 62; and *Balmoral CAT*, paragraph 50).
- (5) ***Article 101 TFEU is designed to protect not only the immediate interests of individual competitors or consumers but also to protect the structure of the market and thus competition as such (and therefore, in order to find that a concerted practice has an anticompetitive object, there does not need to be a direct link***

between that practice and consumer prices): (*T-Mobile*, paragraphs 38 and 39; and *Dole*, paragraph 125).

- (6) The concept of a concerted practice, as it derives from the actual terms of Article 101(1) TFEU, implies, in addition to the participating undertakings concerting with each other, subsequent conduct on the market and a relationship of cause and effect between the two. Subject to proof to the contrary, which the economic operators concerned must adduce, it must be presumed that the undertakings taking part in the concerted action and remaining active on the market take account of the information exchanged with their competitors in determining their conduct on that market. Such a concerted practice is caught by Article 101(1) TFEU, without the need to establish the existence of anticompetitive effects on the market: (*T-Mobile*, paragraph 51; *Dole*, paragraphs 126-127; *Philips GC*, paragraphs 64-65; and *Balmoral CAT*, paragraphs, 40, 44, 46 and 119).
- (7) ***The fact that information exchanged with competitors could be gathered in the market does not prevent it from giving rise to an infringement. That information could enable participants to be aware of the relevant information more simply, rapidly and directly than they would from participating in the market:*** (*Balmoral CAT*, paragraphs 43 and 122).
- (8) An exchange of information on a single occasion can potentially give rise to a concerted practice: (*T-Mobile*, paragraph 59; *Balmoral CAT*, paragraph 46; and *Balmoral CoA*, paragraph 18). [emphasis added]

46. The stringency of the above rules reflects the fact that “*it is hard to think of any legitimate reason why competitors should sit together and discuss prices at all*”.⁶⁷ This was echoed in *JJB Sports*, where the UK CAT held that even a unilateral receipt of information can amount to an infringement:⁶⁸

873 [Even] if the evidence had established only that JJB had unilaterally revealed its future pricing intentions to Allsports and Sports Soccer a concerted practice falling within the Chapter I prohibition would thereby have been established. ***The fact of having attended a private meeting at which prices were discussed and pricing intentions disclosed, even unilaterally, is in itself a breach of the Chapter I prohibition***, which strictly

⁶⁷ *Balmoral Tanks (CAT)*, at [41].

⁶⁸ *JJB Sports*, at [873].

precludes any direct or indirect contact between competitors having, as its object or effect, either to influence future conduct in the market or to disclose future intentions. Even where participation in a meeting is limited to the mere receipt of information about the future conduct of a competitor, *the law presumes that the recipient of the information cannot fail to take that information into account when determining its own future policy on the market*: *Tate and Lyle*, cited above, at paragraphs 56 to 58, referring in particular to *Rhône-Poulenc* at paragraphs 122 and 123. [emphasis added]

47. Similarly, in *Tate & Lyle and Others v Commission* (“*Tate & Lyle*”)⁶⁹, which concerned meetings and discussions between several sugar producers, one sugar producer, British Sugar plc, had disclosed its future pricing intentions regarding industrial and retail sugar to its competitors. The CFI held that:

58 In Case T-1/89 *Rhône-Poulenc v Commission* [1991] ECT II-867, in which the applicant had been accused of taking part in meetings at which information was exchanged among competitors concerning, inter alia, the prices which they intended to adopt on the market, the Court of First Instance held that an undertaking by its participation in a meeting with an anti-competitive purpose, not only pursued the aim of eliminating in advance uncertainty about the future conduct of its competitors but could not fail to take into account, directly or indirectly, the information obtained in the course of those meetings in order to determine the policy which it intended to pursue on the market (*Rhône-Poulenc*, paragraphs 122 and 123). *This Court considers that that conclusion also applies where, as in this case, the participation of one or more undertakings in meetings with an anti-competitive purpose is limited to the mere receipt of information concerning the future conduct of their market competitors.* [emphasis added]

48. In light of the foregoing, it is clear that the disclosure and/or exchange of price information can, on its own, be a restriction of competition by object, whether or not there are other legitimate objectives for the conduct. This is so even if the price information in question is made known to customers before it is disclosed to competitors, or could otherwise be gathered on the market. As held by the CFI in *Tate & Lyle*:⁷⁰

59 British Sugar and Napier Brown maintain that the price information envisaged by British Sugar was known by the latter's customers before it was

⁶⁹ Case T-202/98, T-204/98 and T-207/98 *Tate & Lyle and Others v Commission* [2001] ECR II-2035 “*Tate & Lyle*”) (upheld by the ECJ in its judgment of 29 April 2004 in Case C-359/01 P *British Sugar plc v Commission of the European Communities* [2004] ECR I-4933), at [54], [57] to [58].

⁷⁰ *Tate & Lyle* at [59] to [60]. This legal position has been followed in EU and UK cases including T-588/08 *Dole Food Company and Others v Commission* (“*Dole Food (GC)*”), at [403], T-655/11 *FSL Holdings and Others v Commission* (“*FSL Holdings*”), at [320] to [323], *Lexon (CAT)* at [187], *Balmoral Tanks (CAT)* at [122].

notified to the participants at the disputed meetings and that, therefore, British Sugar did not reveal to its competitors during those meetings information which they could not already gather on the market.

60 That fact, even if established, has no relevance in the circumstances of this case. First, even if British Sugar did first notify its customers, individually and on a regular basis, of the prices which it intended to charge, ***that fact does not imply that, at that time, those prices constituted objective market data that were readily accessible.*** Moreover, it is undisputed that the meetings in question preceded the release onto the market of the information that was notified at those meetings. Second, the organisation of the disputed meetings ***allowed the participants to become aware of that information more simply, rapidly and directly than they would via the market.*** Third, as the Commission held in recital 72 in the preamble to the contested decision, the systematic participation of the applicant undertakings in the meetings in question allowed them to create a climate of mutual certainty as to their future pricing policies. [emphasis added]

49. Further, a competitor's point of view that certain information could be obtained other than by means of the information exchange does not, by definition, render such information to be publicly available information. This was the case in *Dole Food (GC)*, where the following was held by the General Court ("GC"):⁷¹

278 In response to Dole's and Weichert's observations, it is true that the Commission itself accepted that information discussed by the parties 'could be obtained from other sources' (recitals 160 and 189 to the contested decision); such information may relate to weather conditions, which were referred to by Dole and Weichert in the description of the bilateral communications.

279 The fact remains that Dole's or Weichert's point of view on certain information which was significant for the conditions of supply and demand, which could be obtained other than by means of discussions with the undertakings concerned, and its impact on the development of the market, does not by definition constitute publicly available information.

50. The fact that an undertaking discloses its prices to another undertaking after having decided upon and disclosed its prices to its own customers does not affect the finding of an infringement.⁷²

⁷¹ *Dole Food (GC)*, at [403], followed in *FSL Holdings*, at [282] and [321].

⁷² Case T-368/10 *Rubinetteria Cisa* v *Commission* EU:T:2013:460 ("***Rubinetteria Cisa***"), at [45], as stated in *Competition Law (10th Ed)* by Richard Whish and David Bailey, page 571, footnote 350. See also *Suiker Unie* at [174] and *Tate & Lyle* at [59] to [60].

51. The accuracy of the pricing information exchanged between competitors is also immaterial. In *Koninklijke Philips*, the GC held that:⁷³

91 Moreover, the Court notes that, even if, as the applicants claim, the information that they disclosed was inaccurate, in so far as they had not experienced a shortage, *the fact remains that the very disclosure of that type of information on future prices, whether correct or inaccurate, is capable of influencing the conduct of undertakings on the market*. In that regard, it has been held that, even on the assumption that it is proved that certain participants in the cartel succeeded in misleading other participants by sending incorrect information and in using the cartel to their advantage, by not complying with it, the infringement committed is not eliminated by that simple fact.” [emphasis added]

V. Single continuous agreement

52. An undertaking which takes part in the common unlawful enterprise by actions which contribute to the realisation of a shared objective is equally responsible, for the whole period of its adherence to the common scheme, for the acts of the other participants pursuant to the same infringement. In *Team Relocations and Others v Commission*⁷⁴, the ECJ stated:

50 An undertaking which has participated in such a single and complex infringement through its own conduct, which fell within the definition of an agreement or a concerted practice having an anti-competitive object within the meaning of Article [101(1) TFEU] and was intended to help bring about the infringement as a whole, may thus be responsible also in respect of the conduct of other undertakings in the context of the same infringement throughout the period of its participation in the infringement ...

53. EU case authorities⁷⁵ have established that for a series of acts or continuous conduct to constitute a single continuous agreement, it must be shown that:

- a. the agreements or concerted practices that made up the single continuous agreement were all in pursuit of the same common objective(s);

⁷³ *Koninklijke Philips* at [91], upheld on appeal in Case C-98/17 P EU:C:2018:774 at [33] to [46].

⁷⁴ T-212/08 *Team Relocations and Others v Commission* [2011] ECR II-2040.

⁷⁵ Joined Cases T-204/08 and T-212/08 *Team Relocations and Others v Commission* [2011] ECR II-2040, at [37]; paragraph cited with approval by the ECJ in the appeal against the GC’s judgment: see Case C-444/11 P *Team Relocations NV and Others v Commission* at [51] to [53]. See also Joined Cases C-293/13 P and C-294/13 P *Fresh Del Monte Produce v Commission* EU:C:2015:416, at [157]. Note that references to “single and continuous infringement” may be used interchangeably to refer to “single overall agreement”.

- b. each party to the single continuous agreement intended to contribute by its own conduct to the common objectives of the single overall agreement; and
- c. each party was aware of or could reasonably have foreseen actual conduct planned or put into effect by other parties in pursuit of the common objective(s).

VI. Burden and standard of proof

54. CCCS bears the legal burden of proving the infringements in question. The standard of proof to be applied in deciding whether an infringement of the section 34 prohibition has been established is the civil standard, commonly known as proof on the balance of probabilities. The civil standard of burden of proof was applied by the CAB in the *Fresh Chicken Products Appeals*⁷⁶. In that case, the CAB stated:

59 It is not disputed by the Parties that CCCS bears the burden of proving that an infringement has been committed on the civil standard of balance of probabilities (see also *Konsortium Express and others v Competition Commission of Singapore* [2011] SGCAB 1 at [85]), or that CCCS has to produce "strong and compelling evidence" to prove the infringement within this civil standard under s 34 of the Act.

...

66 Requiring "strong and convincing evidence" does not however mean that the standard of proof is higher or more onerous than the ordinary civil standard, or that it is "closer" to the criminal standard; there is no third or intermediate legal burden of proof apart from the civil burden of balance of probabilities and the criminal burden of beyond reasonable doubt (see *Super Group* at [105]; *Alwie Handoyo v Tjong Very Sumito and another and another appeal* [2013] 4 SLR 308 at [158]-[160]; *Napp Pharmaceutical* at [107]). The principle merely goes to the quality of evidence that would sufficiently establish an infringement on a balance of probabilities.

55. Given the secret and clandestine nature of cartels or collusive conduct, it is sufficient if the body of evidence, viewed as a whole, proves that an infringement of the section 34 prohibition has occurred on a balance of probabilities. Such evidence would consist of direct evidence, circumstantial evidence, and inferences from the established facts. The CAB, drawing guidance from EU and UK jurisprudence, has emphasised that in circumstances where CCCS may only be able to obtain fragmentary and sparse evidence, CCCS would be fully entitled to draw inferences or presumptions

⁷⁶ *Gold Chic Poultry Supply Pte. Ltd. and anor v CCCS and other appeals* [2020] SGCAB 1 ("*Fresh Chicken Products Appeals*"), at [64]. See also *Express Bus Operators Appeals Nos. 1 and 2*, at [85].

from a given set of circumstances:⁷⁷

69 In addition, *it should be appreciated that anti-competitive practices and agreements are by their nature hidden and secret*. Given the clandestine nature of such activities, *it would follow that the associated documentation could be reduced to a minimum and that the evidence CCCS can obtain may be only fragmentary and sparse, such that it is necessary to reconstitute certain details by deduction*. Under such conditions, it is possible that the existence of an anticompetitive practice or agreement has to be inferred from a number of coincidences and indicia which, taken together, may, in the absence of another plausible explanation, constitute evidence of an infringement of the competition: see *Pilkington Group Ltd v European Commission* (Case T-72/09) 17 December 2014 at [83]; *Aalborg Portland and others v European Commission* (Joined Cases C-204/00 P, C-205/00 P, C-211/00 P, C-213/00 P, C-217/00 P and C-219/00 P) 7 January 2004 (“*Aalborg*”) at [55]-[57]; *JFE Engineering* at [203]; *Claymore Dairies Ltd and Express Dairies PLC v Office of Fair Trading* [2003] CAT 18 at [3]; *JJB Sports* at [206]; *Napp Pharmaceutical* at [110]. *CCCS is thus well entitled to draw inferences or presumptions from a given set of circumstances. It is not required to produce documents expressly attesting to contacts between the economic operators concerned, and fragmentary and sporadic items of evidence that are available can be supplemented by inferences that allow the relevant circumstances to be reconstituted: Silec Cable SAS v European Commission* (T-438/14) [2018] 5 CMLR 14. [emphasis added]

VII. The relevant market

56. Market definition typically serves two purposes in the context of the section 34 prohibition. First, it provides a framework for assessing whether an agreement and/or concerted practice appreciably prevents, restricts or distorts competition. Second, where liability has been established, market definition goes towards determining the appropriate amount of financial penalty to be imposed on the infringing party, as the method for quantification of penalties set out in the *CCCS Guidelines on the Appropriate Amount of Penalty in Competition Cases* (“*CCCS Penalty Guidelines*”)⁷⁸ involves, as a first step, the calculation of a base penalty having regard to the seriousness of the infringement (expressed as a percentage rate) and the turnover of the business of the undertaking in Singapore for the relevant product and geographic markets.
57. In the present case, a distinct market definition is not necessary for the purpose of establishing an infringement of the section 34 prohibition because, as will be established in Chapter 2 Section XI, CCCS’s investigation revealed an agreement

⁷⁷ *Fresh Chicken Products Appeals* at [69].

⁷⁸ See *CCCS Penalty Guidelines* at paragraph 2.1.

and/or concerted practice involving exchanges of information that prevented, restricted or distorted competition by object. An object infringement is already regarded as preventing, restricting or distorting competition to an appreciable extent.⁷⁹

58. Nevertheless, market definition remains relevant for the purposes of assessing the appropriate amount of financial penalties.
59. To that end, CCCS has determined that the relevant market is the provision of outward remittance services for CNY in Singapore, which was the focal product of the agreement and/or concerted practice between the Parties. This is based on evidence gathered, including admissions by the Parties that the Information Exchange Conduct was in relation to their outward CNY remittance rates.⁸⁰

VIII. Evidence relating to the Information Exchange Conduct

60. This section sets out:
- a. Background information relating to the Parties' internal processes including how the Parties set their outward CNY remittance rates, carry out remittance transactions for customers, publish outward CNY remittance rates to the public and monitor their competitors' outward CNY remittance rates; and
 - b. Evidence of the Information Exchange Conduct, including the origins, implementation and cessation of the conduct.
61. Given that CCCS's finding of infringement is focused on the Parties' outward CNY remittance rates in the Parties' provision of cross-border remittance services, in this and the following sections, all mention of "rates" refers to outward CNY remittance rates and all mention of "remittance services" refers to cross-border remittance services, even if not expressly stated and unless stated otherwise.

A. *Parties' internal processes*

(1) Zhongguo

62. During the course of the investigation, Zhongguo provided the chatlogs of two WhatsApp chat groups used by its employees, as well as available media files that were communicated via these chat groups:

⁷⁹ CCCS Section 34 Guidelines, at paragraph 3.2.

⁸⁰ There was no evidence to suggest that other currencies were involved in the Information Exchange Conduct.

- a. “汇率报道追踪一” (translated in English as “Rate Reporting Monitoring 1”) (“**WAC 1**”) spanned the period from 24 July 2017 to 28 November 2022 (both dates inclusive).⁸¹ The purpose of WAC 1 was to track the outward CNY remittance rates of Zhongguo’s competitors in Singapore and to report information on the number of customers patronising the counters of these competitors.⁸²
- b. “长诚， 汉生， [👥]: 人潮比例， 汇率调整” (translated in English as “Zhongguo, Hanshan, [👥]: Crowd Ratio, Rate Adjustment”) (“**WAC 2**”) spanned the period from 6 July 2019 to 28 November 2022 (both dates inclusive).⁸³ The purpose of WAC 2 was to notify adjustments to Zhongguo’s outward CNY remittance rates to various departments within Zhongguo.⁸⁴

(a) Setting of CNY remittance rates

63. The role of the purchasing/procurement department in Zhongguo (“**ZG Purchasing Department**”) was to purchase currencies.⁸⁵ A member in ZG Purchasing Department who was on shift for the day would determine the first outward CNY remittance rate of the day (ie. the opening rate), based on [👥].⁸⁶ The opening rate of the day was typically set at around 8.50am each day.⁸⁷
64. Thereafter, the opening rate of the day would be posted on the company’s Telegram group chat named “长城团队” (translated in English as “Zhongguo Team”) for the relevant departments to adjust the opening rate on the various channels that customers could use to carry out remittance transactions (“**transaction channels**”) and various platforms on which Zhongguo published its outward CNY remittance rates to customers (“**publication platforms**”). Details of Zhongguo’s transaction channels and publication platforms are elaborated below. The operations department in Zhongguo (ie. “**ZG Counter Team**”) was in charge of adjusting the outward CNY remittance rates at the

⁸¹ CCCS’s s 63 Notice dated 21 November 2022.

⁸² Zhongguo’s Response dated 9 September 2022 to CCCS’s s 63 Notice dated 5 August 2022, Q1(b)(i); Zhongguo’s Response dated 11 November 2022 to CCCS’s s 63 Notice dated 27 October 2022, Q2; Zhongguo’s Response dated 30 June 2023 to CCCS’s s 63 Notice dated 13 June 2023, Q14; NOI of Zhong Wanshan (Zhongguo) dated 9 November 2023, Q70 and 71; NOI of Wang Meiqin (Zhongguo) dated 9 November 2023, Q26; NOI of Sun Linlin (Zhongguo) dated 15 November 2023, Q41.

⁸³ CCCS’s s 63 Notice dated 21 November 2022. CCCS notes that although [👥] was referred to in the chat title of WAC 2, the messages in WAC 2 only referred to [👥] infrequently and sporadically. In addition, the messages that referred to [👥] do not demonstrate [👥] being involved in the Information Exchange Conduct.

⁸⁴ Zhongguo’s Response dated 11 November 2022 to CCCS’s s 63 Notice dated 27 October 2022, Q2; Zhongguo’s Response dated 30 June 2023 to CCCS’s s 63 Notice dated 13 June 2023, Q15; NOI of Zhong Wanshan (Zhongguo) dated 9 November 2023, Q70 and 71; NOI of Wang Meiqin (Zhongguo) dated 9 November 2023, Q26; NOI of Sun Linlin (Zhongguo) dated 15 November 2023, Q41.

⁸⁵ NOI of Zhong Wanshan (Zhongguo) dated 9 November 2023, Q7, 10 and 11.

⁸⁶ NOI of Zhong Wanshan (Zhongguo) dated 9 November 2023, Q16 and 17; NOI of Zhong Wanshan (Zhongguo) dated 10 November 2023, Q108 to 124.

⁸⁷ NOI of Zhong Wanshan (Zhongguo) dated 10 November 2023, Q131.

physical counters; and the customer service department in Zhongguo (“**ZG Customer Service Department**”) was in charge of adjusting the outward CNY remittance rates on all other transaction channels and publication platforms.⁸⁸

65. After the opening rate was announced, the ZG Purchasing Department would buy CNY currency. Subsequent adjustments may be made to Zhongguo’s outward CNY remittance rates throughout the day, based on competitors’ outward CNY remittance rates, customer feedback and the exchange rate at which the CNY currency was purchased.⁸⁹ Typically, the ZG Counter Team would try to find out more about Zhongguo’s competitors’ outward CNY remittance rates at [§<] in order to decide whether subsequent adjustments to Zhongguo’s rate were necessary.⁹⁰ All subsequent adjustments to Zhongguo’s outward CNY remittance rate after opening would be posted in WAC 2.⁹¹ The information on Hanshan’s rates that Zhongguo received through the Information Exchange Conduct was information taken into consideration when Zhongguo set its rates.⁹²
66. Although the ZG Purchasing Department would set the opening rate of the day, both the ZG Purchasing Department and the ZG Counter Team were able to decide on subsequent adjustments to Zhongguo’s outward CNY remittance rates throughout the day, if necessary,⁹³ that were applicable to physical counters and all publication platforms⁹⁴. The ZG Customer Service Department would adjust the rates on the transaction channels and publication platforms that they were in charge of based on the instructions given by the ZG Purchasing Department or the ZG Counter Team.⁹⁵ This is because the ZG Counter Team would generally be the first to understand competitors’ outward CNY remittance rates, through receiving feedback from customers and monitoring of competitors’ outward CNY remittance rates.⁹⁶
67. Zhong Wanshan (Zhongguo), team leader of the ZG Purchasing Department, explained that the ZG Purchasing Department would not object to the adjustments made by the ZG Counter Team, unless the adjustment was such that [§<].⁹⁷ Zhong Wanshan (Zhongguo)

⁸⁸ NOI of Zhong Wanshan (Zhongguo) dated 9 November 2023, Q47 to 50; NOI of Zhong Wanshan (Zhongguo) dated 10 November 2023, Q124, 144 and 145; NOI of Wang Meiqin (Zhongguo) dated 14 March 2022, Q31 and 32; NOI of Sun Linlin (Zhongguo) dated 20 November 2023, Q158, 175 and 190.

⁸⁹ NOI of Zhong Wanshan (Zhongguo) dated 9 November 2023, Q28.

⁹⁰ NOI of Sun Linlin (Zhongguo) dated 20 November 2023, Q154; NOI of Shi Ze (Zhongguo) dated 9 January 2024, Q53.

⁹¹ NOI of Zhong Wanshan (Zhongguo) dated 9 November 2023, Q50; NOI of Zhong Wanshan (Zhongguo) dated 10 November 2023, Q152; NOI of Sun Linlin (Zhongguo) dated 20 November 2023, Q177 and 179; NOI of Sun Linlin (Zhongguo) dated 11 December 2023, Q4.

⁹² NOI of Wang Meiqin (Zhongguo) dated 14 March 2022, Q99 to 101; NOI of Sun Linlin (Zhongguo) dated 14 March 2022, Q50; NOI of Zhong Wanshan (Zhongguo) dated 21 November 2023, Q122.

⁹³ NOI of Zhong Wanshan (Zhongguo) dated 10 November 2023, Q77 to 79, 108 and 109. NOI of Sun Linlin (Zhongguo) dated 16 November 2023, Q131; NOI of Sun Linlin (Zhongguo) dated 20 November 2023, Q145 to 150, 182 and 193.

⁹⁴ For example, message contained in WAC 2 with the timestamps “10/07/19 12:16:09” and “12/07/19 11:41:08”.

⁹⁵ NOI of Wu Wenxi (Zhongguo) dated 7 December 2023, Q125, 129, 132 and 133.

⁹⁶ NOI of Wang Meiqin (Zhongguo) dated 14 March 2022, Q27 and 43.

⁹⁷ NOI of Zhong Wanshan (Zhongguo) dated 10 November 2023, Q77 to 79, 137, 142.

noted that the ZG Counter Team would typically follow the instructions of the ZG Purchasing Department, but there were also instances where the ZG Counter Team did not follow the ZG Purchasing Department's instructions because the ZG Counter Team was of the view that the adjusted outward CNY remittance rate must be offered to customers given that other remittance service providers near to Zhongguo were already offering a certain rate or that there were not many customers at Zhongguo's counters.⁹⁸

68. There were no fixed timings in a day or fixed number of times in a day when Zhongguo would adjust its outward CNY remittance rates.⁹⁹ The number of adjustments to Zhongguo's outward CNY remittance rate could be one to two times a day, many times in a day or no changes in a day.¹⁰⁰

(b) Carrying out of remittance transactions for outward CNY remittance

69. Zhongguo carried out remittance transactions for outward CNY remittance for customers via the following transaction channels:¹⁰¹

- a. Over the counter ("**ZG Counter Remittance**");
- b. Email ("**ZG Email Remittance**");
- c. Website, via the customer service portal¹⁰² ("**ZG Web Remittance**"); and
- d. Mobile application ("**ZG App Remittance**").

70. From 2016 to 2022, in terms of proportion of transactions made through each transaction channel compared to the total number of transactions carried out in all the transaction channels for outward CNY remittance, ZG Counter Remittance consistently ranked as the most-used transaction channel by customers (ranging between [X]% in 2022 to [X]% in 2016), followed by ZG Email Remittance (ranging between [X]% in 2022 to [X]% in 2016)¹⁰³, followed by ZG App Remittance (ranging between [X]% in 2022 to [X]% in 2020), and ZG Web Remittance (ranging between [X]% in 2022 to [X]% in 2020).¹⁰⁴

71. The ZG Counter Team was in charge of carrying out remittance transactions for customers who attended in person at Zhongguo's counters.¹⁰⁵ The ZG Customer Service

⁹⁸ NOI of Zhong Wanshan (Zhongguo) dated 10 November 2023, Q138, 139 and 143.

⁹⁹ NOI of Zhong Wanshan (Zhongguo) dated 10 November 2023, Q135 and 136.

¹⁰⁰ NOI of Wang Meiqin (Zhongguo) dated 14 March 2022, Q34.

¹⁰¹ Zhongguo's Response dated 30 June 2023 to CCCS's s 63 Notice dated 13 June 2023, Q8.

¹⁰² <https://remit.zgr.sg/>

¹⁰³ In Zhongguo's Response dated 24 January 2024 to CCCS's s 63 Notice dated 8 January 2024, Q4, Zhongguo had identified a separate transaction channel termed as "Agent". In view that Zhongguo explained that an "Agent" transaction refers to a transaction instructed by Zhongguo's partner financial institution which is carried out via email (Zhongguo's Response dated 6 September 2023 to CCCS's s 63 Notice dated 24 August 2023, Q2(d)), CCCS considers Zhongguo's transactions carried out under "Agent" as part of ZG Email Remittance.

¹⁰⁴ Zhongguo's Response dated 24 January 2024 to CCCS's s 63 Notice dated 8 January 2024, Q4.

¹⁰⁵ Zhongguo's Response dated 30 June 2023 to CCCS's s 63 Notice dated 13 June 2023, Q6.

Department was in charge of carrying out remittance transactions for all other transaction channels (ie. ZG Email Remittance, ZG Web Remittance and ZG App Remittance).¹⁰⁶

72. For ZG Counter Remittance, when a customer requested for a quotation to carry out an outward CNY remittance transaction, the ZG Counter Team would inform them of the applicable remittance rate based on the customer's remittance requirements. Upon the customer's instructions of the remittance transaction, the ZG Counter Team would collect the necessary information, such as the recipient's name, recipient's bank details and remittance amount. After the customer confirmed the remittance transaction, the ZG Counter Team would process the customer's request and a receipt would be provided to the customer.¹⁰⁷ ZG Counter Remittance had been available as a transaction channel since December 2006 to both retail and corporate customers.¹⁰⁸ The difference between retail and corporate customers is that retail customers represent themselves in their personal capacity while corporate customers represent corporate entities. Thus, in terms of KYC checks, Zhongguo would require a retail customer to produce his/her personal identification card. On the other hand, a corporate customer would be required to produce its registered corporate entity details and identify the authorised personnel to carry out remittance transactions on behalf of the corporate customer.¹⁰⁹
73. To carry out remittance transactions via ZG Email Remittance, ZG Web Remittance or ZG App Remittance, customers are required to first be registered with Zhongguo as a customer. The registration process includes the collection of customers' identification card information to carry out the KYC check.¹¹⁰
74. For ZG Email Remittance, the customer would use an email account registered with Zhongguo to send an email instruction with the proof of transfer of funds attached.¹¹¹ Upon receiving the instruction, the ZG Customer Service Department would create the transaction by inputting the necessary information and send a receipt for the customer to confirm. Once the customer confirms that all the inputted information is correct, the ZG Customer Service Department would send a second email for the customer to acknowledge his/her instructions for the remittance transaction.¹¹² ZG Email Remittance had been available as a transaction channel since sometime around 2016 to both retail and corporate customers.¹¹³
75. For ZG Web Remittance, the customer is required to log in to the customer service portal using a username and password. On the customer service portal, the customer could input

¹⁰⁶ Zhongguo's Response dated 18 August 2023 to CCCS's s 63 Notice dated 31 July 2023, Q7.

¹⁰⁷ Zhongguo's Response dated 30 June 2023 to CCCS's s 63 Notice dated 13 June 2023, Q6; Zhongguo's Response dated 18 August 2023 to CCCS's s 63 Notice dated 31 July 2023, Q5.

¹⁰⁸ Zhongguo's Response dated 18 August 2023 to CCCS's s 63 Notice dated 31 July 2023, Q7.

¹⁰⁹ NOI of Huang Guanhua (Zhongguo) dated 12 July 2021, Q20 and 21.

¹¹⁰ NOI of Wu Wenxi (Zhongguo) dated 7 December 2023, Q224.

¹¹¹ Zhongguo's Response dated 18 January 2024 to CCCS's s 63 Notice dated 8 January 2024, Q1.

¹¹² Zhongguo's Response dated 30 June 2023 to CCCS's s 63 Notice dated 13 June 2023, Q8 and 10.

¹¹³ Zhongguo's Response dated 18 August 2023 to CCCS's s 63 Notice dated 31 July 2023, Q7.

his/her instructions, including the currency to be remitted, the amount to be remitted, as well as the recipient's name and account details. The customer would be led to a webpage to confirm the details of the remittance transaction. Following that, the customer would make payment of the total amount payable. Lastly, there would be a webpage to confirm the processing of the remittance transaction as instructed by the customer.¹¹⁴ ZG Web Remittance has been available as a transaction channel since August 2018 to only retail customers.¹¹⁵

76. For ZG App Remittance, the customer is required to log into Zhongguo's mobile application using a username and password. On the mobile application, the customer can input his/her instructions, including the currency to be remitted, the amount to be remitted, as well as the recipient's name and account details. The customer would be led to a summary page to confirm the details of the remittance transaction. Following that, the customer would make payment of the total amount payable.¹¹⁶ ZG App Remittance has been available as a transaction channel since November 2019 to only retail customers.¹¹⁷
77. Zhongguo confirmed that it applied different outward CNY remittance rates depending on the amount to be remitted by the customer ("**tiered rates**").¹¹⁸ There was no fixed practice by Zhongguo on the number of tiered rates or threshold amounts in respect of each tiered rates for each adjustment.
78. CCCS observed from WAC 2 that in every year from 2019 up to at least 28 November 2022 (which is the time span of the records for WAC 2), Zhongguo had set tiered rates. Examples of tiered rates set by Zhongguo between 2019 to 2022, as indicated in WAC 2, are set out below:

Date and Time (HRS)	Sender ¹¹⁹	Original Message in WAC 2	Translated Message provided by Zhongguo
06/07/19 13:38:45	买货电话 (Purchase Phone) ¹²⁰	汇率更新 *5.126-\$1K 以内* *5.113-\$1-5K*	Exchange rate ¹²¹ update *5.126-\$1K and below* *5.113-\$1-5K* *5.093-\$5K-20K above*

¹¹⁴ Zhongguo's Response dated 30 June 2023 to CCCS's s 63 Notice dated 13 June 2023, Q8; NOI of Huang Guanhua (Zhongguo) dated 12 July 2021, Q21.

¹¹⁵ Zhongguo's Response dated 18 August 2023 to CCCS's s 63 Notice dated 31 July 2023, Q7.

¹¹⁶ Zhongguo's Response dated 30 June 2023 to CCCS's s 63 Notice dated 13 June 2023, Q8; NOI of Huang Guanhua (Zhongguo) dated 12 July 2021, Q21.

¹¹⁷ Zhongguo's Response dated 18 August 2023 to CCCS's s 63 Notice dated 31 July 2023, Q7.

¹¹⁸ Zhongguo's Response dated 9 September 2022 to CCCS's s 63 Notice dated 5 August 2022, Q8.

¹¹⁹ Zhongguo's Response dated 30 June 2023 to CCCS's s 63 Notice dated 13 June 2023, Q5.

¹²⁰ "买货电话" (Purchase Phone) was a mobile phone used by the ZG Purchasing Department to understand competitors' rates. Zhongguo's Response dated 30 June 2023 to CCCS's s 63 Notice dated 13 June 2023, Q5.

¹²¹ CCCS has clarified with various Zhongguo's employees that the term "汇率" in WAC 1 and WAC 2 is understood to refer to "remittance rate" instead of "exchange rate". See NOI of Zhong Wanshan (Zhongguo) dated 9 November 2023, Q73 to 76; NOI of Sun Linlin (Zhongguo) dated 15 November 2023, Q89 and 90.

Date and Time (HRS)	Sender ¹¹⁹	Original Message in WAC 2	Translated Message provided by Zhongguo
		5.093-\$5K-2w 以上 *5.09-\$2w SGD 以上* 请先通知, 谢谢	*5.09-\$20K SGD and above* Notify in advance, thanks
02/08/20 09:13:24	EC 商发 (EC Business Development) ¹²²	全改 5.05 5.05-2w 新币以内 5.04-2w 新币以上	All change 5.05 5.05-2W SGD 5.04-2W SGD or more
25/08/21 15:52:11	Team 3 ¹²³	全改 4.79 柜台 2 千新币以上 4.79 2 千新币以下 4.76	All change 4.79 Counter 4.79 above SGD 2,000 Below SGD 2,000 4.76
15/06/22 11:48:30	宛珊 (Wanshan) ¹²⁴	汇率更新: 全改 4.83 2k 新币内 4.80 2k 新币以上 4.83	Exchange rate update: All change 4.83 4.80 within 2k SGD 4.83 above 2k SGD

79. Zhong Wanshan (Zhongguo) explained that for Zhongguo's tiered rates, [X].¹²⁵

80. At the outset, CCCS notes that the outward remittance rates applied for ZG Counter Remittance transactions were the same as those used for ZG Email Remittance transactions, even for tiered rates.¹²⁶ Next, CCCS notes that the outward remittance rates applied for ZG Web Remittance transactions and ZG App Remittance transactions were the same, given that the same backend system was used for both transaction channels which were updated simultaneously.¹²⁷ In addition, the tiered rates applied for ZG Counter Remittance transactions were frequently applied for ZG Web Remittance transactions and ZG App Remittance transactions as well, except in certain situations such as promotional deals specifically organised for ZG Web Remittance and ZG App Remittance or where certain technical limitations when ZG Web Remittance and ZG App Remittance first started, which prevented these two transaction channels from offering

¹²² "EC 商发" (EC Business Development) was a mobile phone used by the ZG Purchasing Department to understand competitors' rates. Zhongguo's Response dated 30 June 2023 to CCCS's s 63 Notice dated 13 June 2023, Q5.

¹²³ Team 3 was a mobile phone used by the ZG Counter Team to check competitors' rates and update the ZG Purchasing Department. Zhongguo's Response dated 30 June 2023 to CCCS's s 63 Notice dated 13 June 2023, Q5.

¹²⁴ "宛珊" (Wanshan) was Zhong Wanshan's personal mobile phone; NOI of Zhong Wanshan (Zhongguo) dated 9 November 2023, Q63 to 65.

¹²⁵ Zhong Wanshan (Zhongguo)'s NOI dated 10 November 2023, Q63 to 65, 174 and 175. [X].

¹²⁶ Zhongguo's Response dated 18 August 2023 to CCCS's s 63 Notice dated 31 July 2023, Q7.

¹²⁷ NOI of Wu Wenxi (Zhongguo) dated 7 December 2023, Q209 to 212.

the same number of tiers as ZG Counter Remittance.¹²⁸ An example of the former instance is where, sometime in 2019 to 2020, the instructions from Zhongguo's management was for the rates set on ZG Web Remittance and ZG App Remittance to follow a competitor, [X], for any remittance amount within SGD5,000 and to follow the rates set for ZG Counter Remittance for any remittance amount above SGD5,000.¹²⁹ Sometime in 2020 or 2021, Zhongguo switched to offering vouchers to customers who used ZG Web Remittance and ZG App Remittance and following that, the outward remittance rates offered in ZG Web Remittance and ZG App Remittance followed that of ZG Counter Remittance.¹³⁰

(c) Publication of outward CNY remittance rates

81. Zhongguo made its outward CNY remittance rates available to the general public, where the general public was able to access such information on his/her own without any interaction with Zhongguo, via the following publication platforms. In this ID, CCCS refers to Zhongguo making its outward remittance rates available in such a manner as "publication":
 - a. Over the counter (ad-hoc);
 - b. Zhongguo's automated phone service;
 - c. Zhongguo's main website;¹³¹
 - d. WeChat; and
 - e. Facebook (infrequently).
82. The ZG Counter Team was in charge of publishing Zhongguo's outward CNY remittance rates over the counter, including updating the rate if it was adjusted throughout the day. The ZG Customer Service Department was in charge of publishing Zhongguo's outward CNY remittance rates for all other publication platforms (ie. Zhongguo's automated phone service, Zhongguo's main website, Facebook and WeChat).¹³² Wu Wenxi (Zhongguo), team leader of the ZG Customer Service Department, stated that the ZG Customer Service Department would be able to update all the publication platforms that it was responsible for within 5 minutes.¹³³
83. Based on the evidence obtained during the investigation, CCCS notes that although Zhongguo had transaction channels of ZG Email Remittance, ZG Web Remittance and ZG App Remittance, these transaction channels were not used as publication platforms.

¹²⁸ Zhongguo's Response dated 18 August 2023 to CCCS's s 63 Notice dated 31 July 2023, Q7; NOI of Wu Wenxi (Zhongguo) dated 7 December 2023, Q68 to 73, 107 to 108, 190, 191, 197 and 198.

¹²⁹ NOI of Wu Wenxi (Zhongguo) dated 7 December 2023, Q197, 198, 207 and 208.

¹³⁰ NOI of Wu Wenxi (Zhongguo) dated 7 December 2023, Q199 to 200.

¹³¹ <https://zhongguoremittance.com/en/home/>

¹³² Zhongguo's Response dated 30 June 2023 to CCCS's s 63 Notice dated 13 June 2023, Q1; NOI of Wu Wenxi (Zhongguo) dated 7 December 2023, Q32.

¹³³ NOI of Wu Wenxi (Zhongguo) dated 7 December 2023, Q49, 131 to 133.

A member of the public would have to be registered as a customer of Zhongguo before he/she was able to utilise these transaction channels to make enquiries to Zhongguo on the applicable remittance rates. For ZG Email Remittance, outward remittance rates were provided to customers only upon an email request from registered customers.¹³⁴ For ZG Web Remittance and ZG App Remittance, members of the public needed to be registered as customers of Zhongguo with a username and password before they could log in and check the rates.¹³⁵ For both transaction channels, members of the public had to key in the remittance amount that they intended to transfer, in order for the applicable tiered rate to be displayed to them (ie. the full list of tiered rates including the threshold amounts in respect of each tier is not displayed upfront).¹³⁶

84. CCCS notes that during the material period of 2016 to 2022, Zhongguo did not publish rates over the counter using prominent display boards. Instead, the ZG Counter Team wrote or printed the outward CNY remittance rates on pieces of paper and pasted them on the counter or on the glass panel at the counter.¹³⁷ These pieces of paper could be a quarter of the size of an A4-sized paper.¹³⁸ Evidence provided by remittance officers working at the counter of Zhongguo, indicated that the ZG Counter Team generally only displayed the outward CNY remittance rates on a piece of paper at the counter during busy periods when there were many customers, or if there were many tiers being offered in the tiered rates.¹³⁹ However, there appeared to be no fixed practice amongst the ZG Counter Team on this, and putting up the piece of paper was done in an ad-hoc manner at the employee's discretion.¹⁴⁰ For example, Sun Linlin (Zhongguo) stated that she did not put up a piece of paper every time there was a change in rate, eg. where the outward CNY remittance rate was a single rate¹⁴¹, and where the outward CNY remittance rates only had 2 or 3 tiers¹⁴². Shi Ze (Zhongguo), another remittance officer in Zhongguo, on the other hand stated that he would only put up a piece of paper at the counter during busy periods, and only if the outward CNY remittance rates had at least 2 tiers.¹⁴³
85. Separately, customers could also enquire about actual rates available for transactions at the counter (regardless of whether these rates were "published" at the counter using a piece of paper). CCCS notes that the ZG Counter Team did not typically communicate

¹³⁴ Zhongguo's Response dated 18 August 2023 to CCCS's s 63 Notice dated 31 July 2023, Q9.

¹³⁵ Zhongguo's Response dated 18 August 2023 to CCCS's s 63 Notice dated 31 July 2023, Q8.

¹³⁶ NOI of Wu Wenxi (Zhongguo) dated 7 December 2023, Q74.

¹³⁷ NOI of Wang Meiqin (Zhongguo) dated 9 November 2023, Q187; NOI of Sun Linlin (Zhongguo) dated 16 November 2023, Q24; NOI of Sun Linlin (Zhongguo) dated 20 November 2023, Q108, 111 and 112; NOI of Sun Linlin (Zhongguo) dated 14 March 2022, Q21.

¹³⁸ NOI of Sun Linlin (Zhongguo) dated 16 November 2023, Q43.

¹³⁹ NOI of Wang Meiqin (Zhongguo) dated 9 November 2023, Q187, 188, 200 and 201; NOI of Sun Linlin (Zhongguo) dated 16 November 2023, Q24 to 32; NOI of Shi Ze (Zhongguo) dated 9 January 2024, Q90 and 91.

¹⁴⁰ NOI of Wang Meiqin (Zhongguo) dated 9 November 2023, Q202; NOI of Sun Linlin (Zhongguo) dated 16 November 2023, Q42 and 45; NOI of Shi Ze (Zhongguo) dated 9 January 2024, Q95.

¹⁴¹ NOI of Sun Linlin (Zhongguo) dated 16 November 2023, Q31; NOI of Sun Linlin (Zhongguo) dated 20 November 2023, Q110.

¹⁴² NOI of Sun Linlin (Zhongguo) dated 20 November 2023, Q129, 130, 135, 136 and 137; NOI of Sun Linlin (Zhongguo) dated 11 December 2023, Q27 and 28.

¹⁴³ NOI of Shi Ze (Zhongguo) dated 9 January 2024, Q89 to 92.

the full list of tiered rates (if tiered rates were offered) to the customer. Instead, the ZG Counter Team would check how much the customer intended to remit, and would inform him/her of the applicable rate for that remittance amount.¹⁴⁴

86. Zhongguo started publishing remittance rates over its automated phone service around 2011.¹⁴⁵ There was an automated phone menu where customers could select assigned numbers to hear a recording of the outward remittance rate for their selected currency.¹⁴⁶ Only a single rate (ie. no tiered rates) for outward CNY remittance rate would be notified to customers using this option.¹⁴⁷
87. Separately, customers could speak to a phone operator over Zhongguo's customer hotline, where the ZG Customer Service Department would typically respond with the single rate that was published on the publication platforms. However, if the customer stated the remittance amount that he was looking to transfer, the ZG Customer Service Department may have additionally informed the customer of the tiered rate applicable for that remittance amount. However, this did not appear to be a fixed practice within the ZG Customer Service Department.¹⁴⁸
88. Zhongguo started publishing remittance rates on its main website on 2 April 2013.¹⁴⁹ Only a single rate (ie. no tiered rates) for the outward CNY remittance rate was set out on Zhongguo's main website.¹⁵⁰ In addition, CCCS notes that Zhongguo's main website stated that the list of remittance rates shown for various currencies were "*For reference only, may vary depending on actual remittance amount*".¹⁵¹
89. Zhongguo started publishing remittance rates on its WeChat account around 29 May 2015.¹⁵² There were two ways for members of the public to access the outward CNY remittance rates on Zhongguo's WeChat account without any interaction with Zhongguo. The first was to click on a link which would direct the member of the public to Zhongguo's main website. The second was an automated response function on WeChat which would only show a single rate (ie. no tiered rates) for the outward CNY remittance rate.¹⁵³

¹⁴⁴ NOI of Shi Ze (Zhongguo) dated 9 January 2024, Q103; NOI of Zhong Wanshan (Zhongguo) dated 10 November 2023, Q30.

¹⁴⁵ Zhongguo's Response dated 18 August 2023 to CCCS's s 63 Notice dated 31 July 2023, Q9.

¹⁴⁶ NOI of Shi Ze (Zhongguo) dated 9 January 2024, Q101; Zhongguo's Response dated 18 January 2024 to CCCS's s 63 Notice dated 8 January 2024, Q2.

¹⁴⁷ NOI of Wu Wenxi (Zhongguo) dated 7 December 2023, Q94 and 100.

¹⁴⁸ NOI of Wu Wenxi (Zhongguo) dated 7 December 2023, Q95 to 99.

¹⁴⁹ Zhongguo's Response dated 18 August 2023 to CCCS's s 63 Notice dated 31 July 2023, Q9.

¹⁵⁰ NOI of Wu Wenxi (Zhongguo) dated 7 December 2023, Q94 and 100.

¹⁵¹ NOI of Sun Linlin (Zhongguo) dated 20 November 2023, Q212 and SLL-020.

¹⁵² Zhongguo's Response dated 18 August 2023 to CCCS's s 63 Notice dated 31 July 2023, Q9.

¹⁵³ NOI of Wu Wenxi (Zhongguo) dated 7 December 2023, Q57 and 76.

90. Separately, a member of the public could initiate a chat with the ZG Customer Service Department through Zhongguo's WeChat account. The ZG Customer Service Department would typically respond to an enquiry with a single rate and inform the enquiring customer that this was merely a reference rate. If the member of the public was familiar with Zhongguo's operations and enquired on the tiered rates offered by Zhongguo, the ZG Customer Service Department would answer accordingly.¹⁵⁴
91. For completeness, CCCS notes that Zhongguo started publishing remittance rates on its Facebook account on or around 21 March 2013.¹⁵⁵ However, Zhongguo only published a single rate (ie. no tiered rates) for outward CNY remittance rates on its Facebook account once in the middle of the day. Wu Wenxi (Zhongguo) indicated that the remittance rates published on Zhongguo's main website, automated phone service and WeChat were updated more frequently than on Zhongguo's Facebook account.¹⁵⁶ Thus, for the purposes of CCCS's investigation, CCCS considers that Zhongguo's Facebook account was not one of Zhongguo's main publication platforms.
- (d) Difference between rates applied to transaction channels ("transaction rates") and rates published on publication platforms ("published rates") for outward CNY remittance rates
92. CCCS notes certain statements made by Zhongguo and Zhongguo's employees during the investigation that the outward remittance rates available over the counter (referred to as "**counter rates**") were the same as the rates published on Zhongguo's other publication platforms.¹⁵⁷ In addition, there were also statements made by Zhongguo and Zhongguo's employees during the investigation that the transaction rates applied for customers on ZG Email Remittance, ZG Web Remittance and ZG App Remittance were the same as the published rates for outward CNY remittance rates on Zhongguo's main website.¹⁵⁸ However, CCCS finds that these assertions have not been made out on the documentary evidence and other evidence gathered from interviews with Zhongguo's employees.
93. A point of significance that has been noted earlier is that Zhongguo had applied tiered rates as transaction rates on all its transaction channels (including its counter) and may at times have published these tiered rates at its counter (using a piece of paper), whereas the published rates on its publication platforms other than the rates available over the counter were stated as a single rate. For a member of the public to obtain information on Zhongguo's transaction rates that would be applied to remittance transactions, the member of the public had to personally go to Zhongguo's counters, or first be a registered

¹⁵⁴ NOI of Wu Wenxi (Zhongguo) dated 7 December 2023, Q76 to 79.

¹⁵⁵ Zhongguo's Response dated 18 August 2023 to CCCS's s 63 Notice dated 31 July 2023, Q9.

¹⁵⁶ NOI of Wu Wenxi (Zhongguo) dated 7 December 2023, Q53, 56 to 60.

¹⁵⁷ Zhongguo's Response dated 30 June 2023 to CCCS's s 63 Notice dated 13 June 2023, Q9; NOI of Sun Linlin (Zhongguo) dated 14 March 2022, Q23; NOI of Wang Meiqin (Zhongguo) dated 14 March 2022, Q37.

¹⁵⁸ Zhongguo's Response dated 30 June 2023 to CCCS's s 63 Notice dated 13 June 2023, Q9; NOI of Wang Meiqin (Zhongguo) dated 9 November 2023, Q4.

customer of Zhongguo to log onto Zhongguo's customer service portal on its website (ZG Web Remittance) or Zhongguo's mobile application (ZG App Remittance).¹⁵⁹

94. Upon CCCS seeking further clarification, Zhongguo admitted that the outward CNY remittance rates published on Zhongguo's publication platforms other than the counter (ie. Zhongguo's automated phone service, Zhongguo's main website, Facebook and WeChat) only served as a reference or indicative rate, and were not the actual remittance rates for which Zhongguo was prepared to transact at.¹⁶⁰ This was corroborated by the evidence provided by Wu Wenxi (Zhongguo), who provided the following responses:¹⁶¹

Q55: So I can see different tiers on the website is that correct?

A: No there is only one tier due to technical limitations. We will only say the website rate is an indicative rate. But for app remit and web remit, you will be able to see the actual transacted rate. But if you are just looking at website and WeChat, it is only an indicative rate.

...

Q59: So if the customer wants the most updated rate, it is better to check WeChat or call the phone hotline as compared to looking at Facebook. Is that correct?

A: WeChat, phone hotline and website if you just want to check the rate, and not about the actual transacted rate.

Q60: So the rate on these 3 channels will be more accurate or more updated than Facebook. Is that correct?

A: Yes.

Q61: But you were saying that even on these channels, they are just reference rates because they can only display one rate. Is that correct?

A: Yes, only reference rate.

Q62: If a customer wants to know the actual transaction rate, they have to log in to the customer portal on the website, or log in to the mobile application or go to the counter. Is that correct?

A: Yes.

¹⁵⁹ Zhongguo's Response dated 18 August 2023 to CCCS's s 63 Notice dated 31 July 2023, Q8 and 9; NOI of Wu Wenxi (Zhongguo) dated 7 December 2023, Q62 to 67.

¹⁶⁰ Zhongguo's Response dated 18 August 2023 to CCCS's s 63 Notice dated 31 July 2023, Q8 and 9; Zhongguo's Response dated 6 September 2023 to CCCS's s 63 Notice dated 24 August 2023, Q4 and 5.

¹⁶¹ NOI of Wu Wenxi (Zhongguo) dated 7 December 2023, Q55 to 67.

95. This is also supported by numerous instances of adjustments to Zhongguo's outward CNY remittance rates recorded in WAC 2 and explanations provided by various Zhongguo's employees on these adjustments.
96. First, CCCS observed from WAC 2 that when posting messages on adjustments to Zhongguo's outward CNY remittance rates, Zhongguo's employees drew a distinction between a single rate under “全改” (translated in English as “all change”) and tiered rates under “柜台” (translated in English as “counter”). Examples of such messages in WAC 2 from 2019 to 2022 are set out below:

Date and Time (HRS)	Sender ¹⁶²	Original Message in WAC 2	Translated Message provided by Zhongguo
06/09/19 12:09:58	红队公共 (Red Team Public) ¹⁶³	汇率更新 全报: 5.165 柜台 5.188-\$2k 以下 5.178-\$2-5k 5.165-\$5k-2w 5.16-\$2w 以上 先通知, 谢谢	Exchange rate update All change: 5.165 Counter 5.188-\$2k and below 5.178-\$2-5k 5.165-\$5k-20K 5.16-\$20K and above Notify in advance, thanks
29/10/19 14:57:48	蓝队公共 (Blue Team Public) ¹⁶⁴	汇率更新 全改: 5.22 柜台 5.272- \$2k- *5.253- \$2k-5k* *5.226 - \$5k-\$1w* 5.221 -\$1w- \$2w 5.205 -\$2w-\$3W 5.20 -\$3W+ 先通知, 谢谢	Exchange rate update All change: 5.22 Counter 5.272-\$2k *5.253- \$2k-5k* *5.226 - \$5k-\$1w* 5.221 -\$1w- \$2w 5.205- \$2w-\$3w 5. 20 -\$3w+ Notify in advance, thanks
06/06/20 14:39:33	Team 3	汇率更新: 5.01-全改 柜台: 2 万内 5.01	Currency Update: 5.01 - All Change Counter: 5.01 within 20,000 5 More than 20,000

¹⁶² Zhongguo's Response dated 30 June 2023 to CCCS's s 63 Notice dated 13 June 2023, Q5.

¹⁶³ “红队公共” (Red Team Public) was a mobile phone used by the ZG Counter Team to check competitors' rates and update the ZG Purchasing Department. Zhongguo's Response dated 30 June 2023 to CCCS's s 63 Notice dated 13 June 2023, Q5.

¹⁶⁴ “蓝队公共” (Blue Team Public) was a mobile phone used by the ZG Counter Team to check competitors' rates and update the ZG Purchasing Department. Zhongguo's Response dated 30 June 2023 to CCCS's s 63 Notice dated 13 June 2023, Q5.

Date and Time (HRS)	Sender ¹⁶²	Original Message in WAC 2	Translated Message provided by Zhongguo
		2 万以上 5	
27/11/21 13:18:03	EC 商发 (EC Business Development)	全改 4.68 柜台: \$2k 内 =4.65 \$2k 以上 = 4.68 通知 谢谢	All change 4.68 Counter: Within \$2k = 4.65 \$2k = 4.68 notice thank you
29/09/22 08:54:43	Team 3	汇率更新: 全改 5.00 柜台: 5W 新币内 5.00 5w 新币以上 4.99 谢谢 @6596604568 先跟	exchange rate update: All change 5.00 Counter: 5W SGD 5.00 5W SGD above 4.99 Thank you @6596604568 Follow up first

97. Zhong Wanshan (Zhongguo) and Sun Linlin (Zhongguo) explained that the terms “全改” (translated in English as “all change”) and “全报” (translated in English as “full report”)¹⁶⁵ used in WAC 2 referred to the published rates on Zhongguo’s main website, Zhongguo’s automated phone service and Zhongguo’s WeChat account. On the other hand, when the term “柜台” (translated in English as “counter”) was used in WAC 2, this specifically referred to Zhongguo’s adjustment to its transaction rates applied to ZG Counter Remittance for outward CNY remittance rates, which may also be published at the counter.¹⁶⁶

98. The relevant extract of Zhong Wanshan (Zhongguo)’s responses provided during her interview is reproduced below:¹⁶⁷

Q3. Are the “全改” (All Change/fully revised) rates the published rates, transaction rates, or both?

A: “全改” refers to all published rates being changed to these rates here.

Q4. To confirm, transaction rates can be different from published rates, is that correct?

¹⁶⁵ NOI of Zhong Wanshan (Zhongguo) dated 21 November 2023, Q19; NOI of Sun Linlin (Zhongguo) dated 11 December 2023, Q49.

¹⁶⁶ NOI of Zhong Wanshan (Zhongguo) dated 21 November 2023, Q3 to 5 and 13 to 16; NOI of Sun Linlin (Zhongguo) dated 16 November 2023, Q193 and 194; NOI of Sun Linlin (Zhongguo) dated 11 December 2023, Q19, 20, 22, 23, 24 and 25.

¹⁶⁷ NOI of Zhong Wanshan (Zhongguo) dated 21 November 2023, Q3 to 5 and 13 to 16.

A: At the counter if there are tiered rates, the transaction rates will not be the same as the published rates.

Q5. There appears to be times when the “全改” (All Change) rate is not the same as any of the counter tiered rates. For example, in the message at 08/07/19 13:40:24, the “全改” (All Change/fully revised) rate was 5.09, which does not appear in any of the counter tiered rates. Can you explain this?

A: “全改” is the published rates that are published via the phone, website and WeChat. Where there are tiered rates at the counter, there may not be a tier that is the same as the “全改” published rate.

....

Q13. In this ZWS-014, to confirm, when “全改” (All change) is used, which are the channels where these rates are published?

A: Website, telephone, WeChat.

Q14. To confirm, in general, when “全改” is used, these are the channels where the relevant rate is published?

A: Yes.

Q15. What does “柜台” (Counter) and similar phrases relating to “柜台” (Counter), including “只限柜台” (Limited to Counter), “仅限柜台” (Just the Counter) and “只是柜台” (Just the Counter) refer to?

A: It should be referring to the counter rate. Just that different people use different terms out of habit or preference.

Q16. Would we be correct to understand that the rates listed under “柜台” (Counter) and similar phrases relating to “柜台” (Counter), including “只限柜台” (Limited to Counter), “仅限柜台” (Just the Counter) and “只是柜台” (Just the Counter) referred specifically to Zhongguo's update to its counter rates for outward remittance for RMB and are different from the single rate for “全改”?

A: Yes, the “柜台” (Counter) rates and rates with these other similar references to “柜台” (Counter) are only for use at the counter. The “全改” rates refer to the rates published on other platforms.

99. CCCS further notes that the single rate under “全改” (translated in English as “all change”) might not be the same rate as any of the tiered rates under “柜台” (translated in English as “counter”) (see example at paragraph 96 above).

100. Second, Sun Linlin (Zhongguo) explained that even if the term “柜台” (translated in English as “counter”) was not used in a message sent in WAC 2 but Zhongguo’s adjustments to its outward CNY remittance rates were set out in tiered rates, it was understood by Zhongguo’s employees that such tiered rates were only applicable to ZG Counter Remittance.¹⁶⁸ An example of such a message in WAC 2 is set out below:

Date and Time (HRS)	Sender ¹⁶⁹	Original Message in WAC 2	Translated Message provided by Zhongguo
15/01/20 13:04:36	红队公共 (Red Team Public)	汇率更新: *5.153=\$1K 内* 5.122=\$1-5K 5.105=\$5K-2W 5.08=\$2W-\$10W 5.06=\$10W+ 先通知, 谢谢	Exchange rate update. 5.153=within \$1K * 5.122=\$1-5K 5.105=\$5K-20K 5.08=\$20K-\$100K 5.06=\$100K+ Notify in advance, thank you

101. Last, there were instances where there were only adjustments made to the tiered rates for counter, but not to published rates for other publication platforms. Zhong Wanshan (Zhongguo) explained that if the term “全改” (translated in English as “all change”) was not used in the message, it meant that there was no change made to published rates for publication platforms other than the counter rate.¹⁷⁰ Examples of such messages in WAC 2 are set out below:

Date and Time (HRS)	Sender ¹⁷¹	Original Message in WAC 2	Translated Message provided by Zhongguo
19/08/19 15:44:44	蓝队公共(Blue Team Public)	汇率更新: 柜台: 5.112-\$1K内 5.106-\$1K-3K 5.099-\$3K-5K 5.095-\$5k-1w 5.090-\$1-2W 5.08-2w新币以上 请先通知, 谢谢	Exchange rate update Counter: 5.112-\$ 1K and below 5.106-\$1K-3K 5.099-\$3K-5K 5.095-\$5k-10K 5.090-\$1-20K 5.08-20K SGD and above Notify in advance, thanks
25/03/20 13:34:57	红队公共(Red Team Public)	柜台: 4.992-\$1k- 4.952-\$1K-5K	Counter: 4.992-\$1k- 4.952-\$1K-5K

¹⁶⁸ NOI of Sun Linlin (Zhongguo) dated 11 December 2023, Q44 to 47 and 50 to 55.

¹⁶⁹ Zhongguo’s Response dated 30 June 2023 to CCCS’s s 63 Notice dated 13 June 2023, Q5.

¹⁷⁰ NOI of Zhong Wanshan (Zhongguo) dated 21 November 2023, Q20 and 21.

¹⁷¹ Zhongguo’s Response dated 30 June 2023 to CCCS’s s 63 Notice dated 13 June 2023, Q5.

		4.941-\$5k-2W 4.930-\$2W-5w 4.920-\$5w+ 先通知, 谢谢	4.941-\$5k-2W 4.930-\$2W-5W 4.920-\$5W+ Notify in advance, thank you
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102. For completeness, CCCS notes that transaction rates for Zhongguo’s transaction channels were not always expressed in tiered rates but could also be expressed as a single rate. In this regard, Sun Linlin (Zhongguo) explained that if the message in WAC 2 on an adjustment to Zhongguo’s outward CNY remittance rates did not contain any tiered rates but only a single rate under “全改” (translated in English as “all change”), it would mean that the single rate published on Zhongguo’s other publication platforms is the transaction rate applicable for ZG Counter Remittance (and correspondingly, ZG Email Remittance, ZG Web Remittance and ZG App Remittance).¹⁷² In the course of the same day, Zhongguo could change between setting its transaction rates as a single rate or as tiered rates.¹⁷³

103. In summary, CCCS finds that transaction rates applied to Zhongguo’s remittance channels (ie. ZG Counter Remittance, ZG Email Remittance, ZG Web Remittance and ZG App Remittance) were not always identical to the published rates made available on Zhongguo’s publication platforms other than the counter.

104. Significantly, CCCS notes that Hanshan was aware that Zhongguo’s transaction rates might diverge from its published rates.¹⁷⁴ Thus, any exchange of information involving Zhongguo’s transaction rates would contain information other than what was available to the general public through Zhongguo’s non-counter published rates.

(e) Monitoring of competitors’ outward CNY remittance rates

105. The ZG Counter Team (which at one point, comprised about [X] employees) was in charge of monitoring Zhongguo’s competitors’ outward CNY remittance rates on weekdays. The ZG Customer Service Department (comprising about [X] employees) carried out the monitoring on weekends and public holidays.¹⁷⁵

106. Zhongguo monitored other remittance service providers operating at PPC, such as Hanshan, [X]. Zhongguo also monitored remittance service providers located outside of

¹⁷² NOI of Sun Linlin (Zhongguo) dated 16 November 2023, Q121 and 122.

¹⁷³ For example, messages contained in WAC 2 with the timestamps “28/02/20 16:42:37” to “28/02/2020 18:41:47”, “03/03/20 16:45:21” to “03/03/20 18:46:25” and “15/04/20 15:43:29” to “15/04/20 15:52:29”.

¹⁷⁴ NOI of Thng Bee Keow (Hanshan) dated 21 April 2022, Q214 and 215; NOI of Chua Poh Eng (Hanshan) dated 8 January 2024, Q175 and 176.

¹⁷⁵ Zhongguo’s Response dated 30 June 2023 to CCCS’s s 63 Notice dated 13 June 2023, Q3; NOI of Wu Wenxi (Zhongguo) dated 7 December 2023, Q138, 142 and 147; NOI of Sun Linlin (Zhongguo) dated 20 November 2023, Q226.

PPC, including offline remittance service providers, such as [X], and online remittance service providers, such as [X].¹⁷⁶

107. Zhongguo monitored its competitors daily by calling its competitors' hotlines at [X] each day, sending its employees to physically check the competitors' rates at their storefronts, and checking competitors' websites, WeChat and mobile applications if available.¹⁷⁷ The ZG Counter Team also asked customers to check the outward remittance rates offered by other remittance service providers operating at PPC.¹⁷⁸
108. CCCS notes that Zhongguo was aware that Hanshan offered tiered rates over their counter.¹⁷⁹ A number of methods were employed by Zhongguo's employees to monitor Hanshan's tiered rates prior to the Information Exchange Conduct. These included looking at Hanshan's customers' receipts, asking Hanshan's customers for the transaction rate that Hanshan had charged or would charge them, and eavesdropping on conversations between Hanshan's employees and their customers.¹⁸⁰

(2) *Hanshan*

(a) Setting of CNY remittance rates

109. Thng Bee Keow (Hanshan), a manager in Hanshan, was primarily responsible for purchasing CNY currency and making decisions in respect of the setting and adjusting of Hanshan's outward CNY remittance rates. Thng Choo Hiang (Hanshan), another manager in Hanshan, also provided Thng Bee Keow (Hanshan) with inputs from time to time,¹⁸¹ and made decisions on setting and adjusting Hanshan's outward CNY remittance rates when Thng Bee Keow (Hanshan) was not available.¹⁸²
110. Hanshan set its daily opening rate for outward remittances rates of CNY on weekday mornings at approximately 8.45am, whilst the rate for weekends was [X].¹⁸³ Various employees of Hanshan explained that Hanshan's counter staff ("**HS Counter Team**")

¹⁷⁶ Zhongguo's Response dated 18 August 2023 to CCCS's s 63 Notice dated 31 July 2023, Q10; NOI of Huang Guanhua (Zhongguo) dated 12 July 2021, Q43, 125, 126 and HGH-005; NOI of Wu Wenxi (Zhongguo) dated 7 December 2023, Q144; NOI of Wang Meiqin (Zhongguo) dated 14 March 2022, Q57 and 58; NOI of Sun Linlin (Zhongguo) dated 14 March 2022, Q32; NOI of Sun Linlin (Zhongguo) dated 20 November 2023, Q224.

¹⁷⁷ Zhongguo's Response dated 18 August 2023 to CCCS's s 63 Notice dated 31 July 2023, Q10. NOI of Wu Wenxi (Zhongguo) dated 7 December 2023, Q137; NOI of Sun Linlin (Zhongguo) dated 14 March 2022, Q29 and 35; NOI of Sun Linlin (Zhongguo) dated 20 November 2023, Q154,155, 220 and 222; NOI of Shi Ze (Zhongguo) dated 8 January 2024, Q110 and 111.

¹⁷⁸ NOI of Wang Meiqin (Zhongguo) dated 14 March 2022, Q57 to 59.

¹⁷⁹ NOI of Sun Linlin (Zhongguo) dated 20 November 2023, Q228.

¹⁸⁰ NOI of Wang Meiqin (Zhongguo) dated 10 November 2023, Q126; NOI of Sun Linlin (Zhongguo) dated 20 November 2023, Q233 to 239.

¹⁸¹ Hanshan's Voluntary Submissions dated 1 August 2022, at paragraph 8; NOI of Wang ChunYan (Hanshan) dated 8 Jan 2024, Q71; NOI of Chua Poh Eng (Hanshan) dated 8 January 2024, Q59.

¹⁸² NOI of Wang ChunYan (Hanshan) dated 8 January 2024, Q72.

¹⁸³ Hanshan's Voluntary Submissions dated 1 August 2022, at paragraph 7.

would propose an opening rate to Thng Bee Keow (Hanshan),¹⁸⁴ after checking Hanshan's outward CNY remittance rates for the previous day, the day's exchange rate for SGD to USD as well as their competitors' outward remittance rates.¹⁸⁵

111. Thereafter, the opening rate of the day would typically be notified to Hanshan's relevant employees verbally,¹⁸⁶ and Hanshan's employees would update its opening rate for outward CNY remittance rates on its transaction channels and its publication platforms.¹⁸⁷ Hanshan's transaction channels and publication platforms are elaborated on below.
112. After the opening rate for outward CNY remittance rate had been set, Hanshan would possibly adjust it throughout the day.¹⁸⁸ Whilst there was no fixed timing or fixed number of times when Hanshan would adjust its outward CNY remittance rates,¹⁸⁹ various employees of Hanshan indicated that Thng Bee Keow (Hanshan) would consider whether an adjustment was needed at around [X].¹⁹⁰ During this time, the HS Counter Team would monitor the current published outward CNY remittance rates of remittance service providers in PPC, as well as cold-call various remittance service providers in Singapore, such as those located in [X] to enquire on their current outward CNY remittance rates.¹⁹¹ The HS Counter Team would then report on the competitors' outward CNY remittance rates to Thng Bee Keow (Hanshan), who would consider whether to adjust Hanshan's outward CNY remittance rates.¹⁹² The information on Zhongguo's rates that Hanshan received through the Information Exchange Conduct was information taken into consideration when Hanshan set its rates.¹⁹³
113. Once Thng Bee Keow (Hanshan) decided to adjust the outward CNY remittance rate, she typically notified the HS Counter Team of her decision verbally¹⁹⁴, which would then immediately update Hanshan's transaction channels and publication platforms.¹⁹⁵

¹⁸⁴ NOI of Thng Bee Keow (Hanshan) dated 21 April 2022, Q125 to 130; NOI of Wang ChunYan (Hanshan) dated 8 January 2024, Q53 and 54; NOI of Chua Poh Eng (Hanshan) dated 8 January 2024, Q61.

¹⁸⁵ NOI of Thng Bee Keow (Hanshan) dated 21 April 2022, Q125; NOI of Wang ChunYan (Hanshan) dated 8 January 2024, Q54 to 58.

¹⁸⁶ NOI of Wang ChunYan (Hanshan) dated 8 January 2024, Q75; NOI of Zhang Lei (Hanshan) dated 8 January 2024, Q116; NOI of Chua Poh Eng (Hanshan) dated 8 January 2024, Q70 and 71.

¹⁸⁷ NOI of Thng Bee Keow (Hanshan) dated 21 April 2022, Q131; NOI of Wang ChunYan (Hanshan) dated 8 January 2024, Q87; NOI of Zhang Lei (Hanshan) dated 8 January 2024, Q122, 123 and 133.

¹⁸⁸ Hanshan's Voluntary Submissions dated 1 August 2022, at paragraph 11.

¹⁸⁹ NOI of Wang ChunYan (Hanshan) dated 8 January 2024, Q74; NOI of Zhang Lei (Hanshan) dated 8 January 2024, Q53 and 170; NOI of Chua Poh Eng (Hanshan) dated 8 January 2024, Q68, 69 and 127.

¹⁹⁰ NOI of Thng Bee Keow (Hanshan) dated 21 April 2022, Q106 and 136; NOI of Wang ChunYan (Hanshan) dated 8 January 2024, Q74 and 81; NOI of Zhang Lei (Hanshan) dated 8 January 2024, Q53 and 65; NOI of Chua Poh Eng (Hanshan) dated 8 January 2024, Q54 and 68.

¹⁹¹ Hanshan's Voluntary Submissions dated 1 August 2022, at paragraph 16; NOI of Wang ChunYan (Hanshan) dated 8 January 2024, Q60.

¹⁹² NOI of Wang ChunYan (Hanshan) dated 8 January 2024, Q81.

¹⁹³ NOI of Thng Bee Keow (Hanshan) dated 21 April 2022, Q246.

¹⁹⁴ NOI of Zhang Lei (Hanshan) dated 8 January 2024, Q116; NOI of Chua Poh Eng (Hanshan) dated 8 January 2024, Q71.

¹⁹⁵ NOI of Thng Bee Keow (Hanshan) dated 21 April 2022, Q92, 93 and 95.

(b) Carrying out of remittance transactions for outward CNY remittance

114. Hanshan carried out remittance transactions for outward CNY remittance for customers via the following transaction channels:¹⁹⁶

- a. Over the counter (“**HS Counter Remittance**”); and
- b. Email (“**HS Email Remittance**”).

For the period of 17 December 2019 to 15 December 2021¹⁹⁷, Hanshan’s mobile application was also available to customers as a transaction channel (“**HS App Remittance**”).¹⁹⁸

115. From 2016 to 2022, in terms of the proportion of transactions made through each transaction channel compared to the total number of transactions carried out in all the transaction channels for outward CNY remittance, HS Counter Remittance consistently ranked as the most-used transaction channel by customers (being approximately [X] of the total number of transactions per day), while HS Email Remittance, as a transaction channel used by customers, comprised only approximately [X] of the total number of transactions per day.¹⁹⁹ Hanshan was unable to provide any corresponding information on HS App Remittance.

116. For HS Counter Remittance, customers had to make a transaction request in person over Hanshan’s counter.²⁰⁰ The HS Counter Team would then quote the applicable remittance rate to the customer. To carry out the remittance transaction, the customer was required to provide his/her identity card details and submit a remittance form. The HS Counter Team would then arrange for the remittance transaction to be carried out. The customer would review to confirm the remittance transaction details and make payment to Hanshan.²⁰¹

117. To be able to use HS Email Remittance and HS App Remittance as transaction channels, customers were required to first be registered with Hanshan as a customer by presenting

¹⁹⁶ Hanshan’s Response dated 15 September 2023 to CCCS’s s 63 Notice dated 15 August 2023, at paragraphs 4.1, 5.1 and 5.2; NOI of Chua Poh Eng (Hanshan) dated 8 January 2024, Q48.

¹⁹⁷ Hanshan’s Response dated 15 September 2023 to CCCS’s s 63 Notice dated 15 August 2023, at paragraph 1.1.

¹⁹⁸ NOI of Zhang Lei (Hanshan) dated 8 January 2024, Q49; NOI of Chua Poh Eng (Hanshan) dated 8 January 2024, Q49.

¹⁹⁹ Hanshan’s Response dated 18 January 2024 to CCCS’s s 63 Notice dated 8 January 2024, at paragraph 3.1.

²⁰⁰ NOI of Chua Poh Eng (Hanshan) dated 8 January 2024, Q151.

²⁰¹ Hanshan’s Response dated 15 September 2023 to CCCS’s s 63 Notice dated 15 August 2023, at paragraph 5.1 and Annex 1.

themselves in person at Hanshan's counters for their first transaction, so that Hanshan could register their identification cards and conduct the necessary KYC check.²⁰²

118. For HS Email Remittance, the customer would send his/her enquiry via email to Hanshan. Hanshan would quote the applicable remittance rate to the customer and obtain the remittance instructions from the customer. Hanshan would then arrange for the remittance transaction to be carried out. The customer would review to confirm the remittance transaction details and make payment to Hanshan.²⁰³
119. During the period when HS App Remittance was available as a transaction channel, Hanshan's employees would perform daily checks within the administrative portal of Hanshan's mobile application to check for transactions submitted by customers. If there was a transaction, Hanshan's employees would use the details furnished by the customer to produce a physical bill which would then be used to complete the transaction. This method was used because Hanshan was upgrading its mobile application; further, its HS App Remittance received only a low volume of transactions during that period.²⁰⁴
120. In general, the outward CNY remittance rates applied to HS Counter Remittance were the same as that applied to HS Email Remittance.²⁰⁵
121. In addition, Hanshan confirmed that it had offered tiered rates to customers from 2016 to 2022.²⁰⁶ Whilst Hanshan's employees provided inconsistent responses on the period that Hanshan had offered tiered rates to customers, they were consistent in stating that tiered rates, when offered, would be the same for all of Hanshan's transaction channels (ie. HS Counter Remittance, HS Email Remittance and HS App Remittance).²⁰⁷
122. Although Hanshan stated in its response to CCCS's notice under s 63 of the Act that [REDACTED],²⁰⁸ the accounts provided by Hanshan's employees indicated that [REDACTED],²⁰⁹ [REDACTED].²¹⁰

²⁰² Hanshan's Response dated 15 September 2023 to CCCS's s 63 Notice dated 15 August 2023, at paragraph 4.1; Hanshan's Response dated 18 January 2024 to CCCS's s 63 Notice dated 8 January 2024, at paragraph 1.2; NOI of Thng Koon Eng (Hanshan) dated 12 July 2021, Q21 and 24; NOI of Zhang Lei (Hanshan) dated 8 January 2024, Q196, 197 and 235; NOI of Chua Poh Eng (Hanshan) dated 8 January 2024, Q186.

²⁰³ Hanshan's Response dated 15 September 2023 to CCCS's s 63 Notice dated 15 August 2023, at paragraph 5.2 and Annex 2.

²⁰⁴ Hanshan's Response dated 18 November 2021 to CCCS's s 63 Notice dated 29 October 2021, Q2.

²⁰⁵ NOI of Wang Chun Yan (Hanshan) dated 8 January 2024, Q84 and 85; NOI of Zhang Lei (Hanshan) dated 8 January 2024, Q104 and 110; NOI of Chua Poh Eng (Hanshan) dated 8 January 2024, Q79 and 80.

²⁰⁶ NOI of Thng Koon Eng (Hanshan) dated 12 July 2021, Q65; NOI of Thng Bee Keow (Hanshan) dated 21 April 2022, Q42 and 155; Hanshan's Responses dated 9 September 2022 to CCCS's s 63 Notice dated 17 August 2022, at paragraph 4.1; Hanshan's Responses dated 8 September 2023 to CCCS's s 63 Notice dated 15 August 2023, at paragraphs 16.3 and 16.4.

²⁰⁷ NOI of Zhang Lei (Hanshan) dated 8 January 2024, Q195; NOI of Chua Poh Eng (Hanshan) dated 8 January 2024, Q105.

²⁰⁸ Hanshan's Responses dated 15 September 2023 to CCCS's s 63 Notice dated 15 August 2023, at paragraph 7.1.

²⁰⁹ [REDACTED].

²¹⁰ NOI of Wang Chun Yan (Hanshan) dated 8 January 2024, Q107; NOI of Chua Poh Eng (Hanshan) dated 8 January 2024, Q102.

123. Chua Poh Eng (Hanshan), a supervisor in Hanshan, explained that the first tier tended to be for remittance amounts [¥] or [¥], and the outward CNY remittance rate offered for this tier would be much higher (ie. a better rate for customers) than the rate published on Hanshan's publication platforms (ie. the published rate). For example, if the published rate was 5.8, the rate offered for this tier would be around 5.9. The second tier tended to be for remittance amounts between [¥] or [¥] and [¥] or [¥], where an outward CNY remittance rate offered for this tier would be a slightly higher rate than the published rate. For example, if the published rate was 5.8, the rate offered for this tier would be about 0.5 points higher. The third tier would be [¥] to SGD[¥], where the outward CNY remittance rate offered for this tier would be the same as the published rate.²¹¹

(c) Publication of outward CNY remittance rates

124. Hanshan made its outward CNY remittance rates available to the general public, where the general public was able to access such information on his/her own without any interaction with Hanshan, via the following publication platforms.²¹² In this ID, CCCS refers to Hanshan making its outward remittance rates available in such a manner as "publication".

- a. Over the counter (ad-hoc);
- b. Hanshan's automated phone service;
- c. Hanshan's website;²¹³ and
- d. Facebook (infrequently).

125. The HS Counter Team was in charge of updating Hanshan's outward CNY remittance rates on these publication platforms.²¹⁴ The outward remittance rates are simultaneously published across all of Hanshan's publication platforms, with negligible and unintentional time-lag between the platforms.²¹⁵

126. CCCS finds that Hanshan did not publish outward CNY remittance rates to the public via WeChat or their mobile application.

²¹¹ NOI of Chua Poh Eng (Hanshan) dated 8 January 2024, Q102.

²¹² Hanshan's Voluntary Submissions dated 1 August 2022, at paragraph 13; Hanshan's Responses dated 9 September 2022 to CCCS's s 63 Notice dated 17 August 2022, at paragraph 3.1; Hanshan's Responses dated 15 September 2023 to CCCS's s 63 Notice dated 15 August 2023, at paragraph 1.8.

²¹³ www.hanshanmoney.com/rates.

²¹⁴ NOI of Wang ChunYan (Hanshan) dated 8 January 2024, Q89.

²¹⁵ Hanshan's Voluntary Submissions dated 1 August 2022, at paragraph 14; NOI of Wang ChunYan (Hanshan) dated 8 January 2024, Q96 to 98; NOI of Zhang Lei (Hanshan) dated 8 January 2024, Q131 and 134.

- a. With respect to WeChat, CCCS finds that Hanshan's WeChat account merely referred the public to a link to Hanshan's website.²¹⁶
- b. With respect to Hanshan's mobile application, CCCS finds that a member of the public would first need to be registered as a customer of Hanshan in order to log into the mobile application.²¹⁷ After logging in, the applicable transaction rate would be displayed when a customer keyed in the remittance amount he/she wished to remit.²¹⁸

127. Turning to Hanshan's publication of its remittance rates over the counter, Hanshan did not publish rates over the counter using prominent display boards.²¹⁹ Instead, during busy periods, the HS Counter Team might have placed a sheet of paper at its counter setting out the applicable outward CNY remittance rates.²²⁰ Busy periods were typically Sundays and public holidays.²²¹ Hanshan stated that from around April 2020 (when COVID-19 restrictions were implemented), Hanshan had not encountered "busy periods" where it would place a sheet of paper at its counter stating its outward CNY remittance rate.²²²

128. An example of the piece of paper that would be placed at the counter can be seen in Figure 3 below.

²¹⁶ Hanshan's Responses dated 15 September 2023 to CCCS's s 63 Notice dated 15 August 2023, at paragraphs 1.7, 3.1 and 3.2; NOI of Wang ChunYan (Hanshan) dated 8 January 2024, Q92; NOI of Zhang Lei (Hanshan) dated 8 January 2024, Q131.

²¹⁷ NOI of Zhang Lei (Hanshan) dated 8 January 2024, Q196 and 197; Hanshan's Response dated 18 January 2024 to CCCS's s 63 Notice dated 8 January 2024, at paragraph 1.2.

²¹⁸ NOI of Zhang Lei (Hanshan) dated 8 January 2024, Q198.

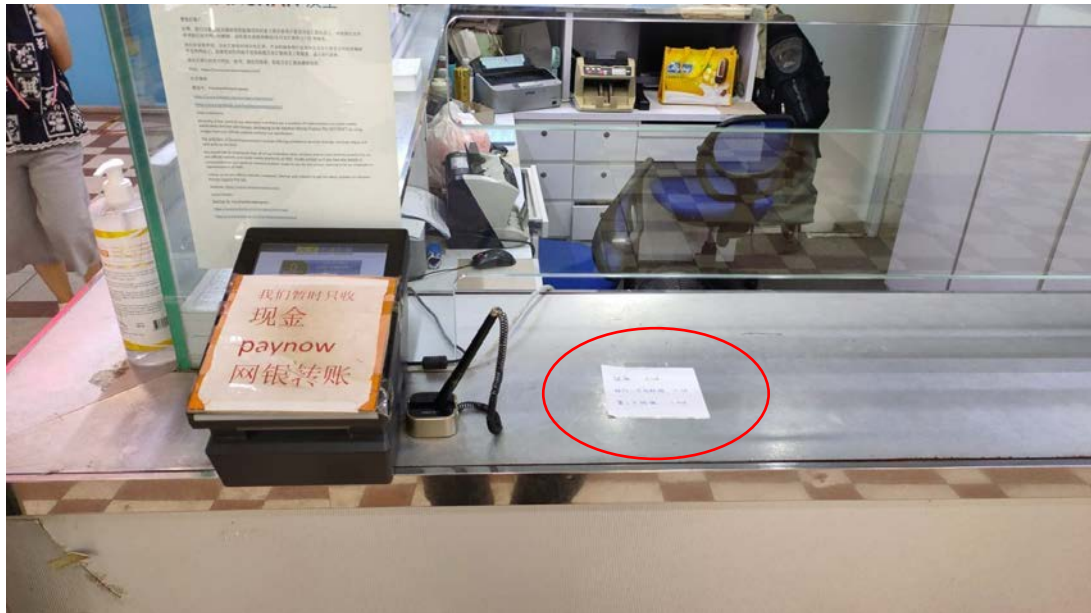
²¹⁹ Hanshan's Voluntary Submissions dated 1 August 2022, at paragraph 15.

²²⁰ Hanshan's Voluntary Submissions dated 1 August 2022, at paragraph 15; NOI of Thng Bee Keow (Hanshan) dated 21 April 2022, Q69 and 70; NOI of Thng Choo Hiang (Hanshan) dated 21 April 2022, Q69 and 70; NOI of Lim Jing Xian (Hanshan) dated 19 April 2022, Q45; NOI of Wang ChunYan (Hanshan) dated 8 January 2024, Q134; NOI of Zhang Lei (Hanshan) dated 8 January 2024, Q199 and 200; NOI of Chua Poh Eng (Hanshan) dated 8 January 2024, Q140.

²²¹ NOI of Wang ChunYan (Hanshan) dated 8 January 2024, Q141; NOI of Zhang Lei (Hanshan) dated 8 January 2024, Q200.

²²² Hanshan's Responses dated 15 September 2023 to CCCS's s 63 Notice dated 15 August 2023, at paragraph 9.3.

Figure 3: Image showing an example of the piece of paper (circled in red) placed at Hanshan's counter²²³



129. The practice of placing a sheet of paper at Hanshan's counter was an ad-hoc practice by individual members of the HS Counter Team and there was no mandated practice by Hanshan's management.²²⁴ If it was a single rate, Hanshan's employees tended not to place a piece of paper on the counter.²²⁵ If the counter rates were in tiers, Hanshan's employees may put out such a piece of paper during busy periods.²²⁶
130. Separately, customers might also enquire about actual rates available for transactions at the counter (regardless of whether these rates were "published" at the counter using a piece of paper). CCCS notes that the HS Counter Team would not typically communicate the full list of tiered rates (if tiered rates were offered) to the customer. Instead, the HS Counter Team would check how much the customer intended to remit, and would inform him/her of the applicable rate for that remittance amount.²²⁷
131. Hanshan started publishing remittance rates over its automated phone service sometime in 2016.²²⁸ There was an automated phone system where customers could select assigned

²²³ Hanshan's Responses dated 15 September 2023 to CCCS's s 63 Notice dated 15 August 2023, at paragraph 9.2 and Annex 3.

²²⁴ NOI of Wang ChunYan (Hanshan) dated 8 January 2024, Q135; NOI of Zhang Lei (Hanshan) dated 8 January 2024, Q200 and 201; NOI of Chua Poh Eng (Hanshan) dated 8 January 2024, Q141.

²²⁵ NOI of Wang ChunYan (Hanshan) dated 8 January 2024, Q138; NOI of Chua Poh Eng (Hanshan) dated 8 January 2024, Q144.

²²⁶ NOI of Wang ChunYan (Hanshan) dated 8 January 2024, Q141; NOI of Chua Poh Eng (Hanshan) dated 8 January 2024, Q145.

²²⁷ NOI of Wang ChunYan (Hanshan) dated 8 January 2024, Q149; NOI of Zhang Lei (Hanshan) dated 8 January 2024, Q165; NOI of Chua Poh Eng (Hanshan) dated 8 January 2024, Q150.

²²⁸ Hanshan's Responses dated 15 September 2023 to CCCS's s 63 Notice dated 15 August 2023, at paragraph 1.9.

numbers to hear a recording of the outward remittance rate for their selected currency.²²⁹ Only a single rate (ie. no tiered rates) for outward CNY remittance was provided via the automated phone system²³⁰

132. Separately, customers could speak to one of Hanshan's employees by choosing to speak with a phone operator on Hanshan's customer hotline.²³¹ CCCS notes that Hanshan's employees would not typically communicate the full list of tiered rates to the customer. Instead, Hanshan's employees would check how much the customer was planning to remit and inform him/her of the applicable rate for that remittance amount.²³²
133. Hanshan started publishing remittance rates on its website since early 2016²³³ Only a single rate (ie. no tiered rates) for outward CNY remittance was set out on Hanshan's website.²³⁴ In addition, CCCS notes that Hanshan's website indicated that "*Rates shown [...] are indicative only*".²³⁵
134. For completeness, CCCS notes that Hanshan started publishing remittance rates on its Facebook account on 9 October 2019.²³⁶ However, Hanshan only published a single rate (ie. no tiered rates) for outward CNY remittance rates on its Facebook account once a day.²³⁷ Thus, for the purposes of CCCS's investigation, CCCS considered that Hanshan's Facebook account was not one of Hanshan's main publication platforms.
- (d) Difference between rates applied to transaction channels (ie. transaction rates) and rates published on publication platforms (ie. published rates) for outward CNY remittance
135. Hanshan and various Hanshan employees and management members have confirmed that Hanshan's published rates were not necessarily the same as the transaction rates applied to customers' remittance transactions.²³⁸
136. From the evidence provided, CCCS finds that there are primarily two reasons for the discrepancy between Hanshan's published rates and transaction rates:

²²⁹ NOI of Thng Bee Keow (Hanshan) dated 21 April 2022, Q62.

²³⁰ NOI of Wang ChunYan (Hanshan) dated 8 January 2024, Q142; NOI of Zhang Lei (Hanshan) dated 8 January 2024, Q182 and 183; NOI of Chua Poh Eng (Hanshan) dated 8 January 2024, Q109.

²³¹ NOI of Wang ChunYan (Hanshan) dated 8 Jan 2024, Q47 and 48.

²³² NOI of Zhang Lei (Hanshan) dated 8 January 2024, Q165.

²³³ Hanshan's Responses dated 29 January 2024 to CCCS's s 63 Notice dated 18 January 2024, at paragraph 1.

²³⁴ NOI of Wang ChunYan (Hanshan) dated 8 January 2024, Q142; NOI of Zhang Lei (Hanshan) dated 8 January 2024, Q182 and 183; NOI of Chua Poh Eng (Hanshan) dated 8 January 2024, Q146.

²³⁵ NOI of Thng Koon Eng (Hanshan) dated 21 July 2021, TKE-004.

²³⁶ Hanshan's Responses dated 15 September 2023 to CCCS's s 63 Notice dated 15 August 2023, at paragraph 1.8.

²³⁷ NOI of Zhang Lei (Hanshan) dated 8 January 2024, Q128, 129, 130, 182 and 183; NOI of Chua Poh Eng (Hanshan) dated 8 January 2024, Q109.

²³⁸ Hanshan's Voluntary Submissions dated 1 August 2022, at paragraph 44; NOI of Thng Koon Eng (Hanshan) dated 12 July 2021, Q50, 56 and 57; NOI of Wang ChunYan (Hanshan) dated 8 January 2024, Q46 and 142; NOI of Zhang Lei (Hanshan) dated 8 January 2024, Q52; NOI of Chua Poh Eng (Hanshan) dated 8 January 2024, Q50, 104, 108, 109 and 110.

- a. First, similar to Zhongguo, Hanshan had applied tiered rates as transaction rates for HS Counter Remittance and HS Email Remittance (and may at times have published such tiered rates at its counter using a piece of paper).²³⁹ A number of Hanshan's employees stated in their interviews that tiered rates were not published on Hanshan's publication platforms²⁴⁰ other than the counter, and only a single rate was published on these platforms.²⁴¹ For a member of the public to find out what transaction rates were actually offered, he/she would need to visit Hanshan's counters, write in via email or place a call to Hanshan. However, the HS Counter Team only provided information to an enquiring customer on the outward remittance rates applicable to the remittance amount that the customer wished to remit.²⁴² In other words, the HS Counter Team would not volunteer the full list of tiered rates.
- b. Second, Hanshan may have offered regular customers or customers who sought to bargain a slightly higher rate (ie. a better rate for customers) than the published rate on Hanshan's publication platforms.²⁴³

137. For completeness, CCCS notes that the transaction rates for Hanshan's transaction channels were not always expressed in tiered rates (ie. there were times when only a single rate was applied for all transactions involving outward CNY remittance). During such times, the same single rate published on all of Hanshan's publication platforms would be the same as the transaction rate applied to HS Counter Remittance and HS Email Remittance.²⁴⁴ In the course of the same day, Hanshan could change between setting its transaction rates as a single rate or as tiered rates.²⁴⁵

138. In summary, CCCS finds that transaction rates applied to Hanshan's remittance channels (ie. HS Counter Remittance and HS Email Remittance) were not always identical to its published rates made available on Hanshan's publication platforms (other than the

²³⁹ NOI of Wang ChunYan (Hanshan) dated 8 January 2024, Q111; NOI of Zhang Lei (Hanshan) dated 8 January 2024, Q195; NOI of Chua Poh Eng (Hanshan) dated 8 January 2024, Q104 and 105.

²⁴⁰ NOI of Wang ChunYan (Hanshan) dated 8 January 2024, Q114 and 142; NOI of Zhang Lei (Hanshan) dated 8 January 2024, Q163.

²⁴¹ NOI of Wang ChunYan (Hanshan) dated 8 January 2024, Q114 and 119; NOI of Chua Poh Eng (Hanshan) dated 8 January 2024, Q108, 109 and 110.

²⁴² NOI of Wang ChunYan (Hanshan) dated 8 January 2024, Q117 and 142; NOI of Zhang Lei (Hanshan) dated 8 January 2024, Q165, 202 and 237; NOI of Chua Poh Eng (Hanshan) dated 8 January 2024, Q150 and 189.

²⁴³ Hanshan's Voluntary Submissions dated 1 August 2022, at paragraph 44; NOI of Wang ChunYan (Hanshan) dated 8 January 2024, Q102, 128, 156 and 157; NOI of Wang ChunYan (Hanshan) dated 12 January 2024, Q42; NOI of Zhang Lei (Hanshan) dated 8 January 2024, Q218 and 222; NOI of Chua Poh Eng (Hanshan) dated 8 January 2024, Q155, 157, 158, 159, 163 and 165.

²⁴⁴ NOI of Zhang Lei (Hanshan) dated 12 January 2024, Q83 and 84; NOI of Chua Poh Eng (Hanshan) dated 12 January 2024, Q16, 21 and 22.

²⁴⁵ For example, messages contained in WAC 2 with the timestamps "29/09/19 09:45:15" to "29/09/19 13:53:02" containing image files "00002764-PHOTO-2019-09-29-09-45-15" and "00002784-PHOTO-2019-09-29-13-52-29" and "06/04/21 11:04:04" to "06/04/21 11:11:03" containing image files "00013390-PHOTO-2021-04-06-11-04-04" and "00013398-PHOTO-2021-04-06-11-11-03".

counter given that the HS Counter Team might, at times, have published transaction rates in the form of tiered rates at its counter using pieces of paper).

139. Significantly, CCCS notes that Zhongguo was aware that Hanshan's transaction rates might diverge from its published rates.²⁴⁶ Thus, any exchange of information involving Hanshan's transaction rates would contain information other than what was available to the general public through Hanshan's non-counter published rates.

(e) Monitoring of competitors' outward CNY remittance rates

140. The HS Counter Team (comprising about [X] employees) was in charge of monitoring Hanshan's competitors' outward CNY remittance rates.²⁴⁷

141. Hanshan monitored other remittance service providers operating at PPC, such as Zhongguo, [X], as well as remittance service providers operating outside of PPC, such as [X].²⁴⁸

142. Hanshan monitored its competitors daily by calling their hotlines, sending its employees to physically check its competitors' rates at their storefronts, and conducting checks on its competitors' websites, WeChat and mobile applications, where available. The HS Counter Team would also rely on feedback on competitors' rates given by customers, as well as proactively ask customers to check the outward remittance rates offered by other remittance service providers operating at PPC. Further, the HS Counter Team would follow customers of remittance service providers in PPC, such as Zhongguo, after a customer had finished his/her remittance transaction, to view the outward remittance rates stated on the customer's receipts (also known as the "**Kan Dan Practice**").²⁴⁹ The employee would either ask the customer to let the employee see the outward remittance rate charged by the competing remittance service provider, or covertly peek at the receipt issued to a customer by a competing remittance service provider.²⁵⁰

143. CCCS notes that Hanshan was aware that Zhongguo did not publish tiered rates on its website or automated phone service. Hanshan was also aware that Zhongguo's customers were able to see Zhongguo's tiered rates by keying in the intended remittance amount in Zhongguo's customer service portal and Zhongguo's mobile application.²⁵¹ In this regard,

²⁴⁶ NOI of Thng Bee Keow (Hanshan) dated 21 April 2022, Q214 and 216.

²⁴⁷ NOI of Wang ChunYan (Hanshan) dated 12 January 2024, Q6; NOI of Zhang Lei (Hanshan) dated 8 January 2024, Q254; NOI of Chua Poh Eng (Hanshan) dated 8 January 2024, Q195.

²⁴⁸ Hanshan's Response dated 18 November 2021 to CCCS's s 63 Notice dated 29 October 2021, Q4.

²⁴⁹ Hanshan's Voluntary Submissions dated 1 August 2022, at paragraph 16; NOI of Thng Bee Keow (Hanshan) dated 21 April 2022, Q120; NOI of Wang ChunYan (Hanshan) dated 12 January 2024, Q1 and 2; NOI of Zhang Lei (Hanshan) dated 8 January 2024, Q240; NOI of Chua Poh Eng (Hanshan) dated 8 January 2024, Q193.

²⁵⁰ NOI of Thng Bee Keow (Hanshan) dated 21 April 2022, Q108 and 109; NOI of Lim Jing Xian (Hanshan) dated 19 April 2022, Q63; NOI of Wang ChunYan (Hanshan) dated 12 January 2024, Q3 and 135; NOI of Shi Ze (Zhongguo) dated 10 January 2024, Q44.

²⁵¹ NOI of Zhang Lei (Hanshan) dated 8 January 2024, Q265.

Hanshan monitored Zhongguo's rates through Zhongguo's customer portal and Zhongguo's mobile application for a period of time, because the husband of one of Hanshan's employees was a registered customer of Zhongguo.²⁵²

144. Hanshan carried out the Kan Dan Practice on its competitors in PPC, including Zhongguo²⁵³ because the customer's receipt showed the actual transaction rate charged by the competing remittance service provider.²⁵⁴ Further, Zhang Lei (Hanshan), a customer service officer in Hanshan, explained that Hanshan was aware that the Kan Dan Practice would not reveal all of Zhongguo's tiered rates.²⁵⁵ She also noted that Zhongguo's phone operator on their customer hotline would only inform the enquiring customer of the applicable tiered rate for the intended remittance amount and Hanshan's employees did not dare to ask Zhongguo's phone operator for the full list of tiered rates for fear of raising Zhongguo's suspicion.²⁵⁶

B. Evidence on the Information Exchange Conduct

145. Various employees and management members of Zhongguo²⁵⁷ and Hanshan²⁵⁸ have admitted that, from at least 2016 to 22 February 2022, Zhongguo and Hanshan had an arrangement to inform each other of their respective outward CNY remittance rates each time these were adjusted.
146. Huang Guanhua (Zhongguo), CEO and director of Zhongguo, admitted to the Information Exchange Conduct when interviewed by CCCS²⁵⁹, stating that *"we told Hanshan to not disturb us and we would not disturb them, and we would proactively inform Hanshan if we change our rates, and vice versa"*:

Q43. Can I confirm that you wish to clarify on an earlier question on whether Zhongguo sets its rates independently?

A: Yes. There are two methods by which we set our rates. One is calling other competitors around Singapore and monitoring their online platforms. We

²⁵² NOI of Zhang Lei (Hanshan) dated 8 January 2024, Q260 and 261.

²⁵³ NOI of Thng Bee Keow (Hanshan) dated 21 April 2022, Q112.

²⁵⁴ NOI of Thng Bee Keow (Hanshan) dated 21 April 2022, Q110.

²⁵⁵ NOI of Zhang Lei (Hanshan) dated 8 January 2024, Q273.

²⁵⁶ NOI of Zhang Lei (Hanshan) dated 8 January 2024, Q272.

²⁵⁷ NOI of Huang Guanhua (Zhongguo) dated 12 July 2021, Q67 and 68; NOI of Wu Wenxi (Zhongguo) dated 7 December 2023, Q31, 37 to 39 and 240; NOI of Zhong Wanshan (Zhongguo) dated 9 November 2023, Q205; NOI of Wang Meiqin (Zhongguo) dated 14 March 2022, Q74, 112, 113 and 171; NOI of Wang Meiqin (Zhongguo) dated 9 November 2023, Q2; NOI of Sun Linlin (Zhongguo) dated 14 March 2022, Q39, 40, 101 and 106; NOI of Sun Linlin (Zhongguo) dated 15 November 2023, Q22.

²⁵⁸ Hanshan's Voluntary Submissions dated 1 August 2022, at paragraphs 23, 28, 30, 33 and 34; Hanshan's Responses dated 9 September 2022 to CCCS's s 63 Notice dated 17 August 2022, at paragraphs 1.2 and 1.3; NOI of Thng Bee Keow (Hanshan) dated 21 April 2022, Q143, 153 and 154; NOI of Thng Choo Hiang (Hanshan) dated 21 April 2022, Q129; NOI of Lim Jing Xian (Hanshan) dated 19 April 2022, Q85; NOI of Wang ChunYan (Hanshan) dated 12 January 2024, Q28; NOI of Chua Poh Eng (Hanshan) dated 8 January 2024, Q211.

²⁵⁹ NOI of Huang Guanhua (Zhongguo) dated 12 July 2021.

also go to competitors at their counters and check how much they are offering so as to get a sensing whether we are giving a better or more inferior rate. There are slight differences between the two methods. There are 3 competitors for which we look at what they display at the counter. The 3 competitors are [X]- we look at what they display at the counter. For Hanshan Money Express ("Hanshan"), which is next to us, and closest in proximity, we will ask the Hanshan counter staff what is the rate they are offering to customers, specifically for the CNY²⁶⁰ walk-in outwards rate (outward remittance) only.

...

Q47. Can you confirm that Zhongguo staff will walk in and check rates with Hanshan counter staff?

A: Yes. If we are going to [X], then we will not need to ask their counter staff. The other 3 have display rates, but I do not know whether Hanshan displays their rates or not. Zhongguo's staff will go to the Hanshan's counter staff to check.

...

Q59. How often does Hanshan inform Zhongguo's staff about the change in Hanshan's rates?

A: 2 to 4 times a day. If there is no change, then they will not inform. It can be zero.

Q60. To confirm, Hanshan staff will only inform Zhongguo's staff only when there is a change in Hanshan's rates?

A: Yes.

...

Q62. To confirm, Zhongguo will also inform Hanshan's staff CNY walk-in outwards rates on a daily basis if there are changes to Zhongguo's rates.

A: Yes.

Q63. How often does Zhongguo inform Hanshan per day?

A: If they change, they will inform us, if we change, we will inform them. On average, 2 to 4 times a day. If there is no change, then no informing.

...

²⁶⁰ "CNY" in this interview was used as shorthand to refer to Chinese Yuan, ie. RMB.

Q68. You cannot remember the exact year? What was the earliest year it could have been?

A: About 2015, Chinese New Year period where we were very busy, the smacking incident happened where Hanshan smacked their ex-customer. Around 2015 mid-year, perhaps in June, we told Hanshan to not disturb us and we would not disturb them, and we would proactively inform Hanshan if we change our rates, and vice versa.

147. Thng Choo Hiang (Hanshan) provided the following evidence in her interview²⁶¹:

Q128. Why does Hanshan and Zhongguo not fight anymore?

A: We used to fight often, our employees are scared of checking Zhongguo's rates and frightened to come to work. One day, Jed²⁶² suggest stop fighting, and we shared the rates. If you want to see, I'll let you know directly. We don't like each other's staff to snatch the "dan", meaning bill, of our customer. This practice was called "kan dan".

Q129. What do you mean by "shared the rates" and let each other know the rates directly?

A: Last time, we used to "kan dan", but now in order to stop the fight and prevent "kan dan", we share our published rates. It was because of "kan dan" that we fight, so in order to stop the fight, we have to stop "kan dan". So Hanshan would share its published rates with Zhongguo and vice versa, when they change their rates.

(1) Origin of the Information Exchange Conduct

148. The Parties were consistent in stating that Zhongguo and Hanshan started the Information Exchange Conduct some time in 2015.²⁶³

149. Various employees and management members of Zhongguo²⁶⁴ and Hanshan²⁶⁵ stated that the reason for the Parties' Information Exchange Conduct was because they were

²⁶¹ NOI of Thng Choo Hiang (Hanshan) dated 21 April 2022.

²⁶² Jed refers to Mr. Huang Guanhua (Zhongguo): See NOI of Thng Choo Hiang (Hanshan) dated 21 April 2022, Q144; NOI of Lim Jing Xian (Hanshan) dated 19 April 2022, Q98.

²⁶³ Hanshan's Voluntary Submissions dated 1 August 2022, at paragraph 28; Hanshan's Responses dated 9 September 2022 to CCCS's s 63 Notice dated 17 August 2022, at paragraph 1.2; NOI of Huang Guanhua (Zhongguo) dated 12 July 2021, Q67 and 68.

²⁶⁴ NOI of Huang Guanhua (Zhongguo) dated 12 July 2021, Q61; NOI of Wu Wenxi (Zhongguo) dated 7 December 2023, Q31 and 234 to 237; NOI of Zhong Wanshan (Zhongguo) dated 21 November 2023, Q155 to 157; NOI of Wang Meiqin (Zhongguo) dated 14 March 2022, Q104; NOI of Sun Linlin (Zhongguo) dated 15 November 2023, Q118; NOI of Sun Linlin (Zhongguo) dated 12 December 2023, Q176.

²⁶⁵ Hanshan's Voluntary Submissions dated 1 August 2022, at paragraphs 19 to 23; NOI of Thng Bee Keow (Hanshan) dated 21 April 2022, Q210; NOI of Thng Choo Hiang (Hanshan) dated 21 April 2022, Q128, 129 and 151; NOI of Lim Jing Xian (Hanshan) dated 19 April 2022, Q85; NOI of Chua Poh Eng (Hanshan) dated 8 January 2024, Q223.

located physically close to each other and, in the past, had experienced verbal and physical altercations between their respective employees due to disputes over customers and attempts to find out about each other's outward CNY remittance rates. There were instances where the police had to be involved and even a time when a local newspaper published articles in 2014 and 2015 about the verbal and physical altercations between the Parties' employees.²⁶⁶

150. Huang Guanhua (Zhongguo) explained that from 2009 to 2015, Zhongguo and Hanshan tried to find out about each other's rates by pretending to be the other's customer, up to 10 times a day.²⁶⁷ Hanshan also sent its employees, employees' relatives, and customers to Zhongguo's counters to pretend to be customers to make enquires about Zhongguo's outward CNY remittance rates. Zhongguo engaged in similar conduct in order to ascertain Hanshan's outward CNY remittance rates.²⁶⁸ Hanshan also stated that the strained relationship between Zhongguo and Hanshan mainly centred around each Party's Kan Dan Practice.²⁶⁹
151. The arrangement under the Information Exchange Conduct was for Zhongguo to inform Hanshan of the changes of Zhongguo's outward CNY remittance rates and vice versa.²⁷⁰ Various employees of Zhongguo²⁷¹ and Hanshan²⁷² were consistent in stating that after this arrangement was put in place, disputes between the Parties had decreased.

(2) *Implementation of the Information Exchange Conduct*

(a) Employees directly involved in carrying out the Information Exchange Conduct

152. Hanshan identified that Zhang Lei, Chua Poh Eng and Wang ChunYan (who is a remittance officer working at the counter of Hanshan, and all three employees were working in the HS Counter Team during the period of the conduct) were directly involved in the Information Exchange Conduct.²⁷³ Sometimes, Thng Choo Hiang (Hanshan) went to Zhongguo's counter to inform Zhongguo about Hanshan's outward CNY remittance

²⁶⁶ Hanshan's Voluntary Submissions dated 1 August 2022, at paragraph 20; NOI of Huang Guanhua dated 12 July 2021, Q61.

²⁶⁷ NOI of Huang Guanhua (Zhongguo) dated 12 July 2021, Q90.

²⁶⁸ NOI of Huang Guanhua (Zhongguo) dated 12 July 2021, Q61

²⁶⁹ Hanshan's Voluntary Submissions dated 1 August 2022, at paragraph 19; NOI of Lim Jing Xian (Hanshan) dated 19 April 2022, Q85 and 138; NOI of Thng Bee Keow (Hanshan) dated 21 April 2022, Q210; NOI of Thng Choo Hiang (Hanshan) dated 21 April 2022, Q142 to 151.

²⁷⁰ Hanshan's Voluntary Submissions dated 1 August 2022, at paragraphs 28 and 29; NOI of Huang Guanhua (Zhongguo) dated 12 July 2021, Q70.

²⁷¹ NOI of Huang Guanhua (Zhongguo) dated 12 July 2021, Q91; NOI of Sun Linlin (Zhongguo) dated 12 December 2023, Q176 to 178.

²⁷² Hanshan's Voluntary Submissions dated 1 August 2022, at paragraph 23; NOI of Thng Bee Keow (Hanshan) dated 21 April 2022, Q222; NOI of Wang ChunYan (Hanshan) dated 12 January 2024, Q137; NOI of Chua Poh Eng (Hanshan) dated 12 January 2024, Q81.

²⁷³ Hanshan's Response dated 9 September 2022 to CCCS's s 63 Notice dated 17 August 2022, at paragraphs 1.19 to 1.21 and Annex 1.

rates.²⁷⁴ Zhongguo identified Sun Linlin, Wang Meiqin, Shi Ze and Xiao Qian Qin (who is a remittance officer working at the counter of Zhongguo, and all four employees were working in the ZG Counter Team during the period of the conduct) as being directly involved in the Information Exchange Conduct.²⁷⁵ In addition, evidence provided by various employees of Zhongguo and Hanshan showed that in general, employees working in the ZG Counter Team and the HS Counter Team were directly involved in the Information Exchange Conduct as well.²⁷⁶ For example, Wu Wenxi (Zhongguo), who was an employee in the ZG Counter Team from 2011 to 2017 before transferring to the ZG Customer Service Department, was personally involved in the Information Exchange Conduct during his time working in the ZG Counter Team.²⁷⁷

(b) Frequency at which the Information Exchange Conduct was carried out

153. As part of the arrangements put in place pursuant to the Information Exchange Conduct, Zhongguo would inform Hanshan every time there was a change in Zhongguo's outward remittance rates for CNY.²⁷⁸ This was also understood by Hanshan's employees to be the case.²⁷⁹ Various employees from Zhongguo stated that this happened on a daily basis and could happen a few times in a day.²⁸⁰ There was no fixed number of times or fixed timings in a day when Zhongguo would inform Hanshan, as it depended on how often Zhongguo changed its outward CNY remittance rates. This occurred from once or twice in a day, and up to eight to ten times in a day.²⁸¹
154. Likewise, Hanshan would inform Zhongguo every time there was a change in Hanshan's outward remittance rates for CNY.²⁸² This was also understood by Zhongguo's employees to be the case.²⁸³ This generally happened on a daily basis and could happen

²⁷⁴ NOI of Thng Choo Hiang (Hanshan) dated 21 April 2022, Q166.

²⁷⁵ Zhongguo's Response dated 19 November 2021 to CCCS's s 63 Notice dated 21 October 2021, Q3.

²⁷⁶ NOI of Wang Meiqin (Zhongguo) dated 14 March 2022, Q82; NOI of Sun Linlin (Zhongguo) dated 15 November 2023, Q78 and 80; NOI of Chua Poh Eng (Hanshan) dated 8 January 2023, Q237; NOI of Zhang Lei (Hanshan) dated 12 January 2023, Q24 and 25.

²⁷⁷ NOI of Wu Wenxi (Zhongguo) dated 7 December 2023, Q11 and 39.

²⁷⁸ NOI of Huang Guanhua (Zhongguo) dated 12 July 2021, Q62, 63, 71, 72, 104, 165, 166, 167 and 172; NOI of Wang Meiqin (Zhongguo) dated 14 March 2022, Q74, 75, 120 and 128; NOI of Wang Meiqin (Zhongguo) dated 9 November 2023, Q55 and 175; NOI of Sun Linlin (Zhongguo) dated 14 March 2022, Q59, 62, 63 and 66; NOI of Sun Linlin (Zhongguo) dated 11 December 2023, Q158.

²⁷⁹ NOI of Wang ChunYan (Hanshan) dated 12 January 2024, Q28 and 54; NOI of Chua Poh Eng (Hanshan) dated 8 January 2024, Q211, 243 and 244; NOI of Thng Choo Hiang (Hanshan) dated 21 April 2022, Q181.

²⁸⁰ NOI of Wang Meiqin (Zhongguo) dated 14 March 2022, Q126; NOI of Sun Linlin (Zhongguo) dated 14 March 2022, Q63; NOI of Sun Linlin (Zhongguo) dated 11 December 2023, Q85.

²⁸¹ NOI of Wang Meiqin (Zhongguo) dated 14 March 2022, Q128.

²⁸² Hanshan's Voluntary Submissions dated 1 August 2022, at paragraph 31; NOI of Thng Bee Keow (Hanshan) dated 21 April 2022, Q187 and 188; NOI of Thng Choo Hiang (Hanshan) dated 21 April 2022, Q181; NOI of Wang ChunYan (Hanshan) dated 12 January 2024, Q52; NOI of Chua Poh Eng (Hanshan) dated 8 January 2024, Q240 and 241; NOI of Wang ChunYan (Hanshan) dated 12 January 2024, Q51 and 52.

²⁸³ NOI of Wang Meiqin (Zhongguo) dated 14 March 2022, Q79; NOI of Sun Linlin (Zhongguo) dated 14 March 2022, Q43; NOI of Sun Linlin (Zhongguo) dated 11 December 2023, Q143; NOI of Huang Guanhua (Zhongguo) dated 12 July 2021, Q55, 59, 60, 71, 97 and 166.

a few times in a day.²⁸⁴ There was also no fixed number of times or fixed timings in a day when Hanshan would inform Zhongguo as it depended on how often Hanshan changed its outward CNY remittance rates.²⁸⁵

155. The Parties usually informed each other of their respective opening rates close to the start of their respective business hours (business hours started at 9.00am).²⁸⁶
156. For Zhongguo, when the adjustments to Zhongguo's outward CNY remittance rates were announced through WAC 2, employees of the ZG Counter Team who were participants of WAC 2 (including Wang Meiqin and Sun Linlin) would inform Hanshan of the adjusted rates, and at the same time forward the adjustments to Zhongguo's internal Telegram chat group for the rest of the ZG Counter Team and the ZG Customer Service Department to make the necessary updates on Zhongguo's transaction channels and publication platforms.²⁸⁷ The time taken for Zhongguo's employees to inform Hanshan of the former's adjusted outward CNY remittance rate upon receiving the announcement in WAC 2 was a matter of minutes.²⁸⁸
157. Similarly, it took Hanshan's employees a matter of minutes (from one to two minutes, up to five to ten minutes) from the time Hanshan adjusted and published its remittance rates to inform Zhongguo's employees of the adjustment to Hanshan's rates.²⁸⁹

(c) Methods of carrying out the Information Exchange Conduct

158. The Parties were consistent in stating that Zhongguo's employees and Hanshan's employees had exchanged information in three ways: (i) verbally in person, (ii) passing paper slips (containing the Parties' respective adjusted outward CNY remittance rates), and (iii) verbally over the phone.²⁹⁰

²⁸⁴ Hanshan's Voluntary Submissions dated 1 August 2022, at paragraph 31; NOI of Thng Bee Keow (Hanshan) dated 21 April 2022, Q191 and 193.

²⁸⁵ NOI of Thng Bee Keow (Hanshan) dated 21 April 2022, Q193; NOI of Wang ChunYan (Hanshan) dated 12 January 2024, Q51; NOI of Chua Poh Eng (Hanshan) dated 8 January 2024, Q240.

²⁸⁶ NOI of Wang Meiqin (Zhongguo) dated 14 March 2022, Q85 and 127; NOI of Sun Linlin (Zhongguo) dated 11 December 2023, Q150 and 153; NOI of Thng Bee Keow (Hanshan) dated 21 April 2022, Q192 and 260; NOI of Wang ChunYan (Hanshan) dated 12 January 2024, Q51 and 54.

²⁸⁷ NOI of Wang Meiqin (Zhongguo) dated 14 March 2022, Q121; NOI of Sun Linlin (Zhongguo) dated 11 December 2023, Q74 to 76; NOI of Wu Wenxi (Zhongguo) dated 7 December 2023, Q167 to 169, 172 and 173.

²⁸⁸ NOI of Sun Linlin (Zhongguo) dated 11 December 2023, Q77.

²⁸⁹ NOI of Thng Bee Keow (Hanshan) dated 21 April 2022, Q189; NOI of Thng Choo Hiang (Hanshan) dated 21 April 2022, Q174; NOI of Wang ChunYan (Hanshan) dated 12 January 2024, Q78; NOI of Zhang Lei (Hanshan) dated 12 January 2024, Q58; NOI of Chua Poh Eng (Hanshan) dated 8 January 2024, Q274.

²⁹⁰ NOI of Sun Linlin (Zhongguo) dated 15 November 2023, Q28; Hanshan's Voluntary Submissions dated 1 August 2022, paragraph 30; NOI of Thng Bee Keow (Hanshan) dated 21 April 2022, Q194; NOI of Thng Choo Hiang (Hanshan) dated 21 April 2022, Q163 and 209.

159. Zhongguo explained that prior to June 2021, the exchange of information between the Parties was carried out mainly via passing paper slips. Exchanges of information from July 2021 were done largely over the phone.²⁹¹
160. Wang Meiqin (Zhongguo) explained that in the beginning, the exchange of information between Zhongguo's employees and Hanshan's employees was done verbally in person. However, misunderstandings occurred, for instance where one party heard the information wrongly. Subsequently, Zhongguo and Hanshan changed their method of carrying out the Information Exchange Conduct to passing of paper slips that contained each other's adjusted outward CNY remittance rates in written form.²⁹²
161. Wang Meiqin (Zhongguo) further explained that notwithstanding the use of paper slips, misunderstandings still occurred. For instance, when one Party was not sure who had written the paper slip. Eventually, Zhongguo turned to printing instead of handwriting paper slips.²⁹³ This was corroborated by Sun Linlin (Zhongguo) who explained that if the paper slip originated from Hanshan, it would be in handwritten form. There were instances where the paper slip was originally typed out and printed by Zhongguo and Hanshan's employees handwrote Hanshan's own rates on the same paper slip.²⁹⁴
162. Sun Linlin (Zhongguo) also explained that Jia Ying (Zhongguo), the General Manager of Zhongguo, had at some point informed the ZG Counter Team not to pass paper slips to Hanshan anymore, but instead to communicate the information to Hanshan via phone calls. Jia Ying (Zhongguo) informed her that it was better for Zhongguo's employees not to walk over to Hanshan's counters. Sun Linlin (Zhongguo) followed his instructions and walked over to Hanshan's counter to inform Hanshan that moving forward, Zhongguo's employees would be calling Hanshan's employees to inform them of Zhongguo's adjusted outward CNY remittance rates and Hanshan's employees provided Hanshan's contact number to Sun Linlin (Zhongguo).²⁹⁵
163. The above account of the methods used by the Parties to carry out the Information Exchange Conduct is supported by documentary evidence in the form of WAC 1, WAC 2 and phone call records showing phone calls from Zhongguo's employees to Hanshan's employees (and vice versa) for the period of 9 July 2021 to 22 February 2022.
164. First, CCCS observes from the chatlogs in WAC 1 that there were numerous references to Zhongguo checking rates with Hanshan. These typically took place at around 8.45am

²⁹¹ Zhongguo's Response dated 15 April 2022 to CCCS's s 63 Notice dated 18 March 2022, Q1.

²⁹² NOI of Wang Meiqin (Zhongguo) dated 14 March 2022, at Q86, 129 to 138; NOI of Wang Meiqin (Zhongguo) dated 9 November 2023, Q175.

²⁹³ NOI of Wang Meiqin (Zhongguo) dated 14 March 2022, at Q86, 129 to 138; NOI of Wang Meiqin (Zhongguo) dated 9 November 2023, Q175.

²⁹⁴ NOI of Sun Linlin (Zhongguo) dated 12 December 2023, Q51.

²⁹⁵ NOI of Sun Linlin (Zhongguo) dated 15 November 2023, Q81 to 87.

to 9.15am, sometimes over many consecutive days. The first message on this in WAC 1 was on 27 July 2017. Examples of such messages in WAC 1 are set out below:

Date and Time (HRS)	Sender ²⁹⁶	Original Message in WAC 2	Translated Message provided by Zhongguo
14/08/18 09:13:32	红队公共 (Red Team Public)	已与那边核对汇率一样	Already checked the exchange rate with that side
15/08/18 08:56:32	蓝队公共 (Blue Team Public)	早上好🌞今天T1跟踪汇率人潮，已和汉生核对一样	Good morning! 🌞 T1 is tracking the exchange rate and crowd today. Already checked with Hanshan
16/08/18 08:56:08	Team 3	已跟汉生核实汇率 5.00-\$18 / 4.93 - \$0	Checked the exchange rate with Hanshan 5.00-\$18/4.93-\$0
17/08/18 09:00:20	蓝队公共 (Blue Team Public)	已于汉生核对汇率，是一样的	Checked the exchange rate with Hanshan; it is the same
18/08/18 09:10:47	Team 3	已和汉生柜台核对， \$0-4.93, \$18-5.01	Checked with Hanshan counter, \$0-4.93, \$18-5.01

165. Sun Linlin (Zhongguo) explained that before Zhongguo and Hanshan commenced business for the day, the Parties would inform each other of their respective opening outward CNY remittance rates and at the same time ask for each other's opening rates. Either Zhongguo's employees would go over to Hanshan's counter to ask for Hanshan's rates, or Hanshan's employees would go over to Zhongguo's counter to ask for Zhongguo's rates. This process of going over to each other's counter to check on each other's opening outward CNY remittance rates before the start of business, was part of the Information Exchange Conduct.²⁹⁷

166. Second, CCCS observed from the chatlogs in WAC 2 that there were numerous photographs of paper slips containing handwritten or typewritten remittance rates. Some of these photographs of paper slips were accompanied by messages stating that these were notified by Hanshan.²⁹⁸ Wang Meiqin (Zhongguo) explained that after Zhongguo's employees received a paper slip from Hanshan's employees, an update would be sent to

²⁹⁶ Zhongguo's Response dated 30 June 2023 to CCCS's s 63 Notice dated 13 June 2023, Q5.

²⁹⁷ NOI of Sun Linlin (Zhongguo) dated 11 December 2023, Q148 to 158, 164 to 166.

²⁹⁸ For example, image files "00000092-PHOTO-2019-07-10-11-50-25" sent on 10/07/19 11:50:25 HRS and "00000420-PHOTO-2019-07-22-11-39-14" sent on 22/07/19 11:39:14 HRS in WAC 2.

the rest of Zhongguo's employees via WAC 2. The update would at times include a photograph of the paper slip that was received from Hanshan.²⁹⁹ This was corroborated by Sun Linlin (Zhongguo) who explained that she would send photographs of the paper slips that she received from Hanshan's employees to WAC 2, whenever she updated the rest of Zhongguo's employees on Hanshan's adjusted outward CNY remittance rates.³⁰⁰ As for Hanshan, Wang ChunYan, Zhang Lei and Chua Poh Eng admitted that they had all been involved in passing paper slips that contain Hanshan's outward CNY remittance rates to Zhongguo's employees.³⁰¹ Wang ChunYan (Hanshan) also admitted that she had been involved in preparing paper slips, including writing out Hanshan's tiered rates on such paper slips.³⁰² When shown examples of paper slips identified by Zhongguo to have originated from Hanshan, Zhang Lei (Hanshan) acknowledged that she had previously seen some of these paper slips.³⁰³ Wang ChunYan (Hanshan) acknowledged that the typewritten paper slips shown to her had originated from Zhongguo and contained Zhongguo's rates.³⁰⁴ Examples of such paper slips sent in WAC 2 are set out below:

²⁹⁹ NOI of Wang Meiqin (Zhongguo) dated 14 March 2022, Q83 and 97.

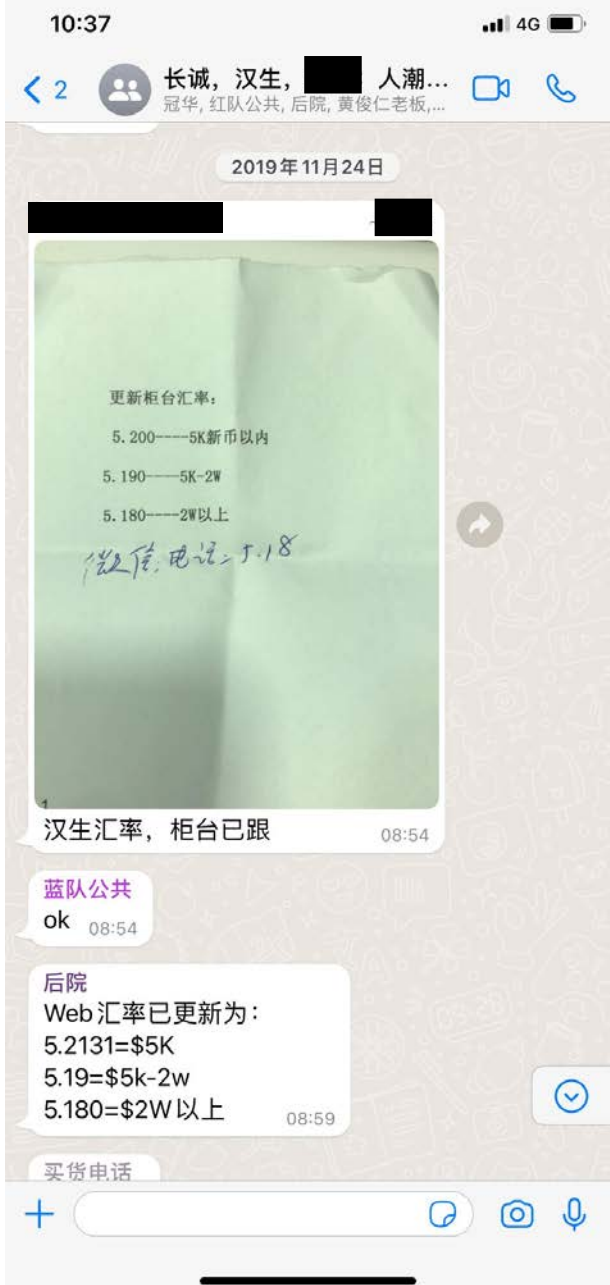
³⁰⁰ NOI of Sun Linlin (Zhongguo) dated 11 December 2023, Q5; NOI of Sun Linlin (Zhongguo) dated 12 December 2023, Q40 and 48.

³⁰¹ NOI of Wang ChunYan (Hanshan) dated 12 January 2024, Q56; NOI of Zhang Lei (Hanshan) dated 12 January 2024, Q24, 25 and 42; NOI of Chua Poh Eng (Hanshan) dated 8 January 2024, Q246.

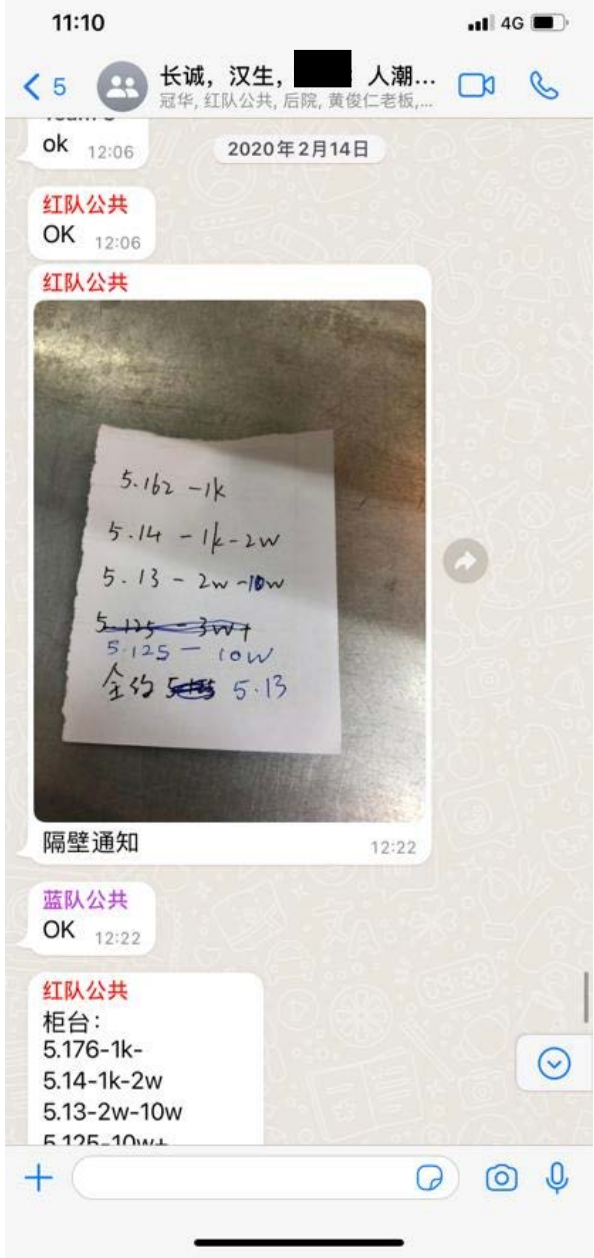
³⁰² NOI of Wang ChunYan (Hanshan) dated 12 January 2024, Q76, 80 and 81.

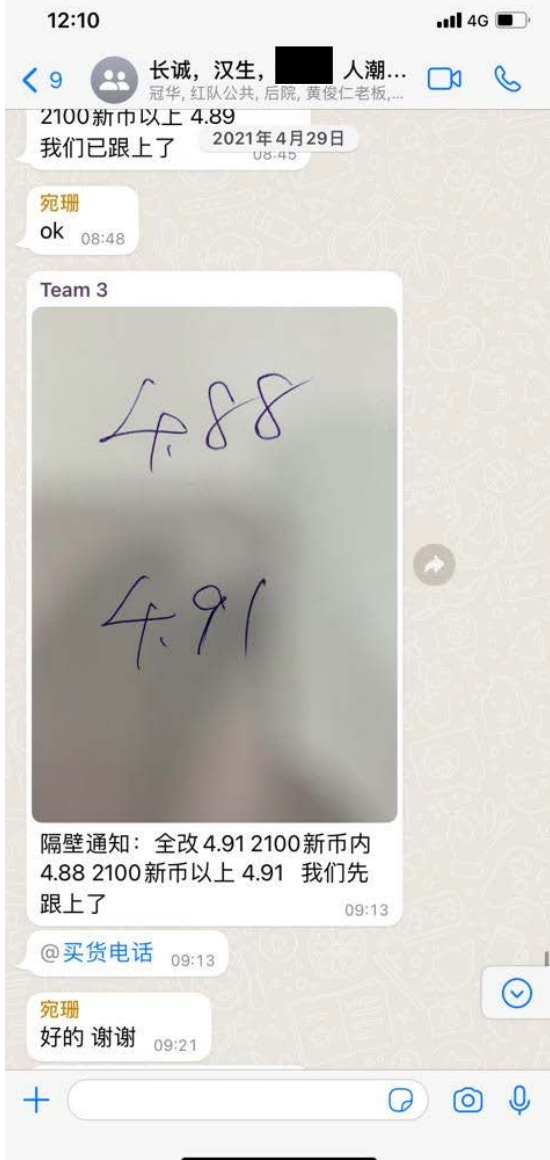
³⁰³ NOI of Zhang Lei (Hanshan) dated 12 January 2024, Q64.

³⁰⁴ NOI of Wang ChunYan (Hanshan) dated 12 January 2024, Q83.

Date and Time (HRS)	Image File ³⁰⁵	Screenshot from WAC 2	Translated Message provided by Zhongguo
24/11/19 08:54:06	WhatsApp Image – 24 Nov 2019 (8.54).jpg		<p>[🔍]:</p> <p>Updated counter rates:</p> <p>5.200 --- Within 5k SGD</p> <p>5.190 ---- 5K – 2W</p> <p>5.180 ---- More than 2W</p> <p>WeChat. Phone = 5.18</p> <p>Hanshan's rates, counter already followed</p> <p>Blue Team Public: ok</p> <p>Backyard:</p> <p>Web rates are already updated as follows:</p> <p>5.2131=\$5K</p> <p>5.19=\$5k-2w</p> <p>5.180= More than \$2W</p>

³⁰⁵ Zhongguo's Response dated 28 November 2022 to CCCS's s 63 Notice dated 21 November 2022, CD for 97861390 Part 1

Date and Time (HRS)	Image File ³⁰⁵	Screenshot from WAC 2	Translated Message provided by Zhongguo
14/02/20 12:22:08	WhatsApp Image - 14 Feb 2020 (12.22)		<p>Red Team Public: OK</p> <p>Red Team Public: 5.162 – 1k 5.14 – 1k – 2w 5.13 – 2w – 10w 5.125 – 3w+ 5.125 – 10w</p> <p>All change 5.15 5.13</p> <p>Next door inform</p> <p>Blue Team Public: OK</p> <p>Red Team Public: Counter: 5.176 – 1k- 5.14 – 1k-2w 5.13 – 2w-10w</p>

Date and Time (HRS)	Image File ³⁰⁵	Screenshot from WAC 2	Translated Message provided by Zhongguo
29/04/21 09:13:31	WhatsApp Image - 29 Apr 2021 (9.13)		<p>Wanshan: Ok</p> <p>Team 3: 4.88 4.91</p> <p>Next door inform: All change 4.91 Within 2100 SGD, 4.88, more than 2100SGD. We will follow first. @Purchase Phone</p> <p>Wanshan: All right, thanks</p>

167. In addition, Sun Linlin (Zhongguo) explained that even if Hanshan had informed Zhongguo of its adjusted outward CNY remittance rates without using any paper slips, Zhongguo's employees would indicate such remittance rates as Hanshan's rates by including the words "Hanshan" or "隔壁"/"那边" (translated in English as "next door" or "that side")³⁰⁶ in the messages sent to fellow Zhongguo employees over WAC 2. Examples of such messages in WAC 2 are set out below.

³⁰⁶ NOI of Sun Linlin (Zhongguo) dated 11 December 2023, Q5 and 102.

Date and Time (HRS)	Sender ³⁰⁷	Original Message in WAC 2	Translated Message provided by Zhongguo
04/04/20 09:37:00	红队公共(Red Team Public)	汉生通知 5000 新币内-5.00 5000 新币以- 4.98	Hanshan notified within 5000 SGD – 5.00 Above S\$ 5,000 – 4.98
26/11/19 16:45:42	蓝队公共(Blue Team Public)	隔壁通知: 5.19 全改 柜台 5.256=\$1k 内 5.252=\$1k-2k 5.224=\$2K-5K 5.201= \$5k-\$1w 5.191=\$1w-5W 内 5.18=\$5w以上	Next door inform: 5.19 All change Counter 5.256= within \$1k 5.252=\$1k-2k 5.224=\$2K-5K 5.201= \$5k-\$1w 5.191 = within \$1w-5w 5.18=\$5w or more
28/12/19 08:54:48	红队公共(Red Team Public)	汇率更新: 5.18-全报 柜台: 5.20=\$5k- 5.18=\$5k-2w 5.17=\$2w+ 那边通知	Exchange rate update 5.18 – All change Counter: 5.20 =\$5k- 5.18=\$5k-2w 5.17=\$2w+ Next door inform

168. Third, CCCS obtained the phone call records³⁰⁸ for the following mobile phone numbers:

- a. [X] (“**ZG Mobile Phone 5689**”), which belonged to Zhongguo and was used by the ZG Counter Team. This mobile phone was used to call Hanshan’s employees to inform them of Zhongguo’s outward CNY remittance rates and also used as a company operation phone to contact customers.³⁰⁹
- b. [X] (“**ZG Mobile Phone 5726**”), which belonged to Zhongguo and was used by the ZG Counter Team. This mobile phone was used to call Hanshan’s employees to inform of Zhongguo’s outward CNY remittance rates and also used as a company operation phone to contact customers.³¹⁰
- c. [X] (“**HS Mobile Phone 6121**”), which belonged to Hanshan. This mobile phone was used to call Zhongguo’s employees to inform them of Hanshan’s outward CNY remittance rates, communicate with customers, and take

³⁰⁷ Zhongguo’s Response dated 30 June 2023 to CCCS’s s 63 Notice dated 13 June 2023, Q5.

³⁰⁸ [X] Response to CCCS’s s 63 Notice dated 27 October 2022.

³⁰⁹ Zhongguo’s Response dated 11 November 2022 to CCCS’s s 63 Notice dated 27 October 2022, question 15.

³¹⁰ Zhongguo’s Response dated 15 April 2022 to CCCS’s s 63 Notice dated 18 March 2022, Q1; Zhongguo’s Response dated 9 September 2022 to CCCS’s s 63 Notice dated 5 August 2022, Q3

photographs of customers' personal identification documents in order to process transactions and monitor Hanshan's competitors.³¹¹

169. CCCS observed from the phone call records of HS Mobile Phone 6121 that, between 9 July 2021 to 22 February 2022, there were near daily incoming and outgoing calls to ZG Mobile Phone 5689 and ZG Mobile Phone 5726.³¹² The first call of the day was frequently placed between 8.45am and 9.15am. Apart from this first call, the phone call records also show that additional calls took place between the Parties in the course of the day. The duration of each call was about 1 minute.
170. Sun Linlin (Zhongguo) explained that the phone calls made from ZG Mobile Phone 5689 and ZG Mobile Phone 5726 to HS Mobile Phone 6121 were for Zhongguo's employees to inform Hanshan of Zhongguo's opening rate and ask for Hanshan's opening rate, as well as to inform Hanshan when there were adjustments made to Zhongguo's outward CNY remittance rates.³¹³ Likewise, the phone calls made from HS Mobile Phone 6121 to ZG Mobile Phone 5689 and ZG Mobile Phone 5726 were for Hanshan's employees to inform Zhongguo of Hanshan's opening rate, as well as to inform Zhongguo when there were adjustments made to Hanshan's outward CNY remittance rates.³¹⁴ Sun Linlin (Zhongguo) was not able to remember any other reasons for the calls between the abovementioned phones, other than one instance when Hanshan's employees called Zhongguo's employees to check on Chinese New Year promotions.³¹⁵
171. This is corroborated by the account provided by Zhang Lei (Hanshan), who explained that employees from the HS Counter Team would use HS Mobile Phone 6121 to inform Zhongguo of Hanshan's adjusted outward CNY remittance rates.³¹⁶

(3) *Types of information exchanged as part of the Information Exchange Conduct*

172. The Parties agreed that the Information Exchange Conduct was limited to outward CNY remittance rates.³¹⁷ In this regard, CCCS notes that outward CNY remittance service

³¹¹ Zhongguo's Response dated 15 April 2022 to CCCS's s 63 Notice dated 18 March 2022, Q1; Hanshan's Response dated 9 September 2022 to CCCS's s 63 Notice dated 17 August 2022, at paragraphs 1.11 and 1.12; Hanshan's Response dated 7 October 2022 to CCCS's s 63 Notice dated 21 September 2022, at paragraph 7.5; NOI of Thng Bee Keow (Hanshan) dated 21 April 2022, Q194 to 198.

³¹² [3&] Response to CCCS's s 63 Notice dated 27 October 2022.

³¹³ NOI of Sun Linlin (Zhongguo) dated 12 December 2023, Q76, 80 and 81.

³¹⁴ NOI of Sun Linlin (Zhongguo) dated 12 December 2023, Q92 and 96.

³¹⁵ NOI of Sun Linlin (Zhongguo) dated 12 December 2023, Q91 and 103.

³¹⁶ NOI of Zhang Lei (Hanshan) dated 12 January 2024, Q111, 116, 117, 120, 121, 127 and 128.

³¹⁷ NOI of Huang Guanhua (Zhongguo) dated 12 July 2021, Q43, 55, 61, 73, 86 and 98; NOI of Wang Meiqin (Zhongguo) dated 14 March 2022, Q77, 78, 118 and 119; NOI of Sun Linlin (Zhongguo) dated 14 March 2022, Q40, 41, 42 and 58; NOI of Lim Jing Xian (Hanshan) dated 19 April 2021, Q90; NOI of Thng Choo Hiang (Hanshan) dated 21 April 2022, Q168 and 201; Hanshan's Voluntary Submissions dated 1 August 2022, at paragraph 28.

made up the largest proportion of Zhongguo's³¹⁸ and Hanshan's³¹⁹ outward remittance transaction values.

173. CCCS notes that Zhongguo³²⁰ and Hanshan³²¹ have both asserted that their conduct only involved the exchange of information on outward CNY remittance rates available over the counter, and that this information was already made available by Zhongguo via its various other publication platforms (namely, its website, WeChat and automated phone service)³²² and was likewise already made available by Hanshan via its various other publication platforms (namely, its website and automated phone service).³²³
174. Additionally, Hanshan asserted that the Parties did not exchange information relating to their actual outward CNY remittance rates charged to individual over-the-counter customers, which might differ from the outward remittance rates published on Hanshan's various other publication platforms (namely, its website and automated phone service) due to bargaining or discounts.³²⁴
175. CCCS finds that Zhongguo's and Hanshan's respective assertions set out at paragraphs 173 and 174 above are not substantiated, particularly when assessed against the documentary evidence and evidence gathered during the interviews of Zhongguo's and Hanshan's employees.
176. With respect to the Parties' assertions that the information they exchanged on outward CNY remittance rates was also made available on their various publication platforms other than their respective counters (such as their websites and automated phone service), this was not found by CCCS to be the case. Instead, the evidence shows that the Parties' exchanges of information were not limited to outward CNY remittance rates that were published on these other publication platforms, but also included transaction rates that could be different from the rates published on these other publication platforms.
177. First, the photographs of the paper slips sent over WAC 2 (which is documentary evidence of the type of information shared between Zhongguo and Hanshan) show that the Parties had exchanged information on transaction rates to be applied to ZG Counter Remittance and HS Counter Remittance. These were different from the rates published

³¹⁸ Zhongguo's Response dated 11 November 2022 to CCCS's s 63 Notice dated 27 Oct 2022, Q19.

³¹⁹ Hanshan's Response dated 9 September 2022 to CCCS's s 63 Notice dated 17 August 2022, at paragraph 7.2.

³²⁰ Zhongguo's Response dated 15 April 2022 to CCCS's s 63 Notice dated 18 March 2022, Q1; NOI of Huang Guanhua (Zhongguo) dated 12 July 2021, Q43, 55, 61, 73, 86 and 98; NOI of Sun Linlin (Zhongguo) dated 14 March 2022, Q42 and 58.

³²¹ Hanshan's Voluntary Submissions dated 1 August 2022, at paragraph 28; NOI of Lim Jing Xian (Hanshan) dated 19 April 2021, Q90, 114 and 117; NOI of Thng Choo Hiang (Hanshan) dated 21 April 2022, Q169, 170 and 171

³²² NOI of Huang Guanhua (Zhongguo) dated 12 July 2021, Q64; NOI of Sun Linlin (Zhongguo) dated 15 November 2023, Q25 and 26.

³²³ Hanshan's Responses dated 15 September 2023 to CCCS's s 63 Notice dated 15 August 2023, at paragraph 10.1.

³²⁴ Hanshan's Voluntary Submissions dated 1 August 2022, at paragraph 44.

on their respective non-counter publication platforms.³²⁵ CCCS observed from the paper slips that:

- a. There were different variations of the paper slips (examples of these paper slips are set out at paragraph 166 above), where the paper slips could set out:
 - i. Only rates under the term “柜台” (translated in English as “counter”);
 - ii. Only tiered rates without any Chinese phrases; and
 - iii. A single rate under the term “全改” (translated in English as “all change”) and rates under the term “柜台” (translated in English as “counter”) or simply tiered rates on their own without any reference to the applicable transaction channel.
- b. For the paper slips that contained rates under the term “柜台” (translated in English as “counter”) or only tiered rates without any Chinese phrases, Zhongguo’s and Hanshan’s employees understood this to refer specifically to Zhongguo’s or Hanshan’s adjustment to their respective transaction rates to be applied to ZG Counter Remittance and HS Counter Remittance for outward CNY remittance.³²⁶ In other words, the Parties’ respective outward CNY remittance rates “available over the counter” referred to the Parties’ transaction rates to be applied to ZG Counter Remittance and HS Counter Remittance, and not the Parties’ published rates on the Parties’ respective non-counter publication platforms.
- c. For the paper slips that contained a single rate under the term “全改” (translated in English as “all change”) and rates under the term “柜台” (translated in English as “counter”) or simply tiered rates on their own without any reference to the applicable transaction channel, Zhongguo’s and Hanshan’s employees understood this to mean that the rate under “全改” (translated in English as “all change”) would refer to the published rates on the Parties’ respective publication platforms while the rates under “柜台” (translated in English as “counter”) or simply the tiered rates without any reference to the applicable transaction channel would refer to the transaction rates to be applied to ZG Counter Remittance and HS Counter Remittance.³²⁷

178. The paper slip evidence therefore showed that the Parties exchanged information on the transaction rates to be applied to ZG Counter Remittance and HS Counter Remittance,

³²⁵ The format of these paper slips was similar to the format of the messages in WAC 2 concerning adjustments to Zhongguo’s outward CNY remittance rates (as elaborated at paragraphs 95 to 100 above).

³²⁶ NOI of Wang ChunYan (Hanshan) dated 12 January 2024, Q92 and 94; NOI of Zhang Lei (Hanshan) dated 12 January 2024, Q68 and 71 to 74; NOI of Chua Poh Eng (Hanshan) dated 12 January 2024, Q5 and 8 to 12. NOI of Sun Linlin (Zhongguo) dated 12 December 2023, Q1, 18 and 33.

³²⁷ NOI of Wang ChunYan (Hanshan) dated 12 January 2024, Q96, 98 and 99; NOI of Zhang Lei (Hanshan) dated 12 January 2024, Q75 to 80; NOI of Chua Poh Eng (Hanshan) dated 12 January 2024, Q13 to 17. NOI of Sun Linlin (Zhongguo) dated 12 December 2023, Q1 and 16 to 18.

which were different from the rates published on their respective non-counter publication platforms. Furthermore, the Parties made these differences clear to each other when carrying out the Information Exchange Conduct. In particular, the non-counter publication platforms only displayed a single rate for outward CNY remittance, not tiered rates, and hence information on tiered rates contained in the paper slips that the Parties exchanged necessarily contained information on rates that was not available on the non-counter publication platforms.

179. Second, the evidence provided by various employees of Zhongguo³²⁸ and Hanshan³²⁹ during their interviews corroborates the documentary evidence that Zhongguo and Hanshan had exchanged information not just on their published rates available on their non-counter publication platforms, but also their respective transaction rates, including tiered rates that were not available on their non-counter publication platforms. Some examples of the evidence provided by employees of Zhongguo and Hanshan are set out below:

a. Sun Linlin (Zhongguo) stated that:

Q56. We note that there are some messages in WAC 2 which set out an update to Zhongguo's outward remittance rate of RMB followed by phrases on notifying "隔壁" ("neighbour" or "next door"). Examples are listed below in SLL-027. Please explain what these messages mean, including what "隔壁" ("neighbour" or "next door") refers to.

A:

Page number of WAC 2	Date and Time (HRS)	Sender	Original Message in WAC 2	Translated Message provided by Zhongguo	Explanation provided by the Interviewee
130	17/09/19 20:23:28	蓝队公共 (Blue Team Public)	只限柜台 2k以内- 5.229 2k-3k -5.206 3k-5k -5.199 5k-10k-5.179 10k-20k-5.176 20k以上-5.17 先通知隔壁, 谢谢	Counter only 2k and below- 5.229 2k-3k-5.206 3k-5k-5.199 5k-1w-5.179 1w-2w-5.176 2w and above - 5.17	Refers to Zhongguo's actual transacted counter tiered rates and published counter rates. Not stated for other platforms

³²⁸ NOI of Wang Meiqin (Zhongguo) dated 9 November 2023, Q4, 5, 6 and 8; NOI of Wang Meiqin (Zhongguo) dated 10 November 2023, Q28; NOI of Sun Linlin (Zhongguo) dated 15 November 2023, Q25, 37, 92 and 133; NOI of Sun Linlin (Zhongguo) dated 16 November 2023, Q117 to 119; NOI of Sun Linlin (Zhongguo) dated 11 December 2023, Q56, 65, 101, 115, 116 and 125; NOI of Wu Wenxi (Zhongguo) dated 7 December 2023, Q243.

³²⁹ NOI of Wang ChunYan (Hanshan) dated 12 January 2024, Q29, 30, 36, 37, 38, 39, 81, 82 and 138; NOI of Zhang Lei (Hanshan) dated 12 January 2024, Q9, 20, 21, 22, 62 and 63; NOI of Chua Poh Eng (Hanshan) dated 8 January 2024, Q212, 215, 216, 217, 223, 281.

				Inform the neighbor first, thanks	
...

Q65. Can you describe the information that you and the Counter Staff would notify Hanshan's staff?

A: I would copy everything in the message, excluding the last line "先通知隔壁，谢谢", and pass it to Hanshan's staff. Sometimes I would print out, sometimes I would write out. The contents are the same whether I print out or write out.

...

Q101. We refer to the following text messages in WAC 2 under SLL-032. Please explain what these messages are about, including the numbers and why there are asterisks.

A:

Page number of WAC 2	Date and Time (HRS)	Sender	Original Message in WAC 2	Translated Message provided by Zhongguo	Explanation provided by Interviewee
1	06/07/19 14:52:10	Red Team Public	汇率更新 *5.13-\$1K 内* 5.113-\$1-5K 5.093-\$5K-2w 以上 5.09-\$2w SGD 以上 隔壁通知，谢谢	Exchange rate update *5.13-\$1K and below* 5.113-\$1-5K 5.093-\$5K-20K above 5.09-\$20K SGD and above Please inform next door, thank you	It is their actual transacted rate from Hanshan and customers would be informed of these rates if they asked. There is no mention of other platforms in the messages.
20	20/07/19 14:21:32	Red Team Public	汇率更新（柜台）： 5.116 = 2 千新币以内 5.103 = 2 千-5 千新币 5.09 = 5 千-2w 新币 5.08=2w 新币 以上 那边通知	Exchange rate update (Counter). 5.116 = 2,000 SGD and below 5.103 = 2,000 - 5,000 SGD 5.09 = 5,000 - 20K SGD 5.08 = 20K SGD and above Notify in advance, thanks	It is their actual transacted rate from Hanshan and customers would be informed of these rates if they asked. There is no mention of other platforms in the messages.

Page number of WAC 2	Date and Time (HRS)	Sender	Original Message in WAC 2	Translated Message provided by Zhongguo	Explanation provided by Interviewee
278	26/11/19 16:45:42	Blue Team Public	隔壁通知: 5.19 全改 柜台 5.256=\$1k 内 5.252=\$1k-2k 5.224=\$2K-5K 5.201= \$5k-\$1w 5.191=\$1w-5W 内 5.18=\$5w 以上	Next door inform: 5.19 All change Counter 5.256= within \$1k 5.252=\$1k-2k 5.224=\$2K-5K 5.201= \$5k-\$1w 5.191 = within \$1w-5w 5.18=\$5w or more	Hanshan would change their published rate on WeChat, website and phone, the rate would be changed to 5.19. The actual transacted rates on other platforms I'm not sure. The actual transacted rates at Hanshan's counter would be changed to the tiered rates. Customers would be informed of these rates if they asked.
675	07/02/22 12:36:53	Team 3	2 千新币以下 4.65 2 千新币以上 4.72 他们做这个	4.65 under S \$ 2,000 4.72 over SGD 2,000 they do this	This is the actual transacted rates at Hanshan's counter and customers would be informed of these rates if they asked. There is no mention of other platforms.

Q115. Going back to the messages containing “隔壁通知”or “那边通知” in SLL-032. What exactly would Hanshan notify Zhongguo about?

A: The first, second and the fourth message is Hanshan's actual transacted rate and rates that they would inform their customers over the counter. The third message is Hanshan's website, WeChat and phone's published rate and Hanshan's actual transacted rates that they would also inform their customers over the counter.

Q116. Why would Hanshan sometimes inform Zhongguo of both published rates on other platforms and counter rates and sometimes inform Zhongguo of only counter rates?

A: If Hanshan didn't change the published rate on other platforms, they don't have to inform us.

a. Wang ChunYan (Hanshan) stated that:

Q29. In relation to the remittance rates for RMB that Zhongguo would inform Hanshan, are these the rates that Zhongguo would (i) publish on its platforms, (ii) apply for its outward remittance transactions with transacting customers, or (iii) both?

A: Both. However, we will countercheck the published rates on Zhongguo's respective platforms as well as "Kan Dan" for transacted rates.

Q30. In relation to the remittance rates for RMB that Hanshan informs Zhongguo, are these the rates that Hanshan would (i) publish on its platforms, (ii) apply for its outward remittance transactions with transacting customers, or (iii) both?

A: Both.

...

Q81. Can you describe the information that would be set out in the paper slip that Hanshan's Counter Notifying Team would prepare and pass to Zhongguo?

A: For me, I had written down tiered rates before and also some words, but I cannot recall what those words were.

Q82. If Hanshan is publishing a single rate on its platform and offering tiered rates for its transaction channels (ie. over the counter and email remittance), would the information on Hanshan's single rate and tiered rates be set out in the paper slip prepared by Hanshan's Counter Notifying Team?

A: Yes.

180. While there were instances when Zhongguo's or Hanshan's transaction rates were not expressed in tiered rates, such that they shared information on the single rate that they respectively used as both the transaction rate and published rate (as set out in paragraphs 102 and 137 above for Zhongguo and Hanshan respectively), CCCS finds on the evidence that the Parties' outward CNY remittance rates available over the counter (ie. the Parties' transaction rates to be applied to ZG Counter Remittance and HS Counter Remittance) were not always made available on the Parties' respective publication platforms (as also set out at paragraphs 93 and 136 above for Zhongguo and Hanshan respectively). Thus,

the Parties' assertions that the information exchanged was already available to the public on the Parties' respective publication platforms is not made out.

181. Given that the Parties had exchanged not just published rates but also transaction rates applied to transactions over their respective counters, Hanshan's assertion that that the Parties did not exchange information relating to its actual outward CNY remittance rates charged to individual over-the-counter customers is unsupported.
182. CCCS also finds that the Parties' exchange of information on their respective transaction rates to be consistent with the fact that the Kan Dan Practice was the impetus of establishing the Information Exchange Conduct. Hanshan acknowledged that the Kan Dan Practice was to determine the other Party's outward CNY transaction rates.³³⁰ Thng Bee Keow (Hanshan) also acknowledged that Hanshan's interest was in the actual transaction rates that Zhongguo was charging its customers.³³¹ Given that the Information Exchange Conduct was aimed to reduce disputes between the Parties arising from the Kan Dan Practice, it follows that the Parties' interest was to exchange information on their respective transaction rates.
183. CCCS further notes that, to assess the accuracy of the information shared by each other, the Parties would verify the transaction rates being offered by the other Party. The evidence from the interviews of Sun Linlin (Zhongguo), Wang Meiqin (Zhongguo) and Zhong Wanshan (Zhongguo) shows that when Hanshan charged customers a different outward CNY remittance rate from what was provided to Zhongguo, Zhongguo considered Hanshan to have cheated on their arrangement.³³² Further, Thng Choo Hiang (Hanshan) stated that Hanshan would check if the information shared by Zhongguo was accurate by carrying out the Kan Dan Practice.³³³ This is consistent with the fact that information on transaction rates had been exchanged between the Parties, otherwise, there would be no need to verify if the information exchanged was accurate using the Kan Dan Practice.
184. Separately, Hanshan submitted that the HS Counter Team had the discretion to offer regular or bargaining customers a slightly higher rate (ie. a better rate for consumers). In this regard, Chua Poh Eng (Hanshan) explained that when the HS Counter Team exercised their discretion to offer a slightly higher rate, they would not inform Zhongguo of this slightly higher rate offered to individual customers. However, Chua Poh Eng (Hanshan) also stated that Hanshan had informed Zhongguo of such a practice by Hanshan to offer a slightly higher rate to specific individual customers.³³⁴

³³⁰ Hanshan's Voluntary Submissions dated 1 August 2022, at paragraph 46.

³³¹ NOI of Thng Bee Keow (Hanshan) dated 21 April 2022, Q267 to 269.

³³² NOI of Zhong Wanshan (Zhongguo) dated 10 November 2023, Q95 to 101; NOI of Wang Meiqin (Zhongguo) dated 10 November 2023, Q120 to 126, 131; NOI of Sun Linlin (Zhongguo) dated 20 November 2023, Q69 to 105.

³³³ NOI of Thng Choo Hiang (Hanshan) dated 21 April 2022, Q132 to 135.

³³⁴ NOI of Chua Poh Eng (Hanshan) dated 8 January 2024, Q219, 220, 223 and 224.

185. CCCS finds that even if Hanshan had offered certain individual customers a slightly higher rate than what was provided to Zhongguo, it does not detract from the fact that Hanshan had also shared information on its transaction rates offered to other customers (eg. customers who were not regular customers or who had not bargained). Further, even if some of the information that Hanshan had shared with Zhongguo was not implemented by Hanshan for all customers, it does not detract from the finding that an infringement of the section 34 prohibition is made out (see paragraphs 31 and 51 above).
186. Finally, CCCS finds that while the Parties had asserted that the Information Exchange Conduct only involved their outward CNY remittance rates over their counters, Zhongguo applied the transaction rates of ZG Counter Remittance to ZG Email Remittance, and typically applied the same to ZG Web Remittance and ZG App Remittance. Likewise, Hanshan applied the transaction rates of HS Counter Remittance to HS Email Remittance. This has been set out at paragraphs 80, 120 and 121 above for Zhongguo and Hanshan respectively. In other words, the Parties had exchanged information on rates that were applicable to all their respective transaction channels.
187. In summary, contrary to the Parties' assertions, CCCS finds on the evidence that Zhongguo and Hanshan had exchanged information on:
- a. The Parties' published rates made available on their respective publication platforms, which was expressed as a single rate;
 - b. The Parties' transaction rates when these rates were expressed as a single rate, which applied to all their respective transaction channels; and
 - c. The Parties' transaction rates when these rates were expressed in tiered rates, which applied to all their respective transactions channels.

Further, CCCS finds that in instances where the Parties exchanged information on a single rate, it could refer to the Party's published rate and the Party's transaction rate. In instances where the Parties exchanged information on tiered rates, it would refer only to the Party's transaction rate, which would be different from the single published rate.

(4) Parties' follow-up action after receiving information from each other

188. For Zhongguo, after receiving information from Hanshan on its adjustment to its outward CNY remittance rates, the ZG Counter Team updated other Zhongguo employees using WAC 2. Thereafter, Zhongguo (either through the ZG Counter Team or the ZG Purchasing Department) would decide whether it would match Hanshan's adjusted outward CNY remittance rates based on considerations, such as the remittance rate that Hanshan was offering, Zhongguo's costs of purchasing the CNY currency and the

number of customers at Zhongguo's counters.³³⁵ The decision to match Hanshan's outward CNY remittance rates after receiving information from Hanshan could be done almost immediately.³³⁶

189. For Hanshan, upon receiving such information from Zhongguo, Thng Bee Keow (Hanshan) would then decide whether Hanshan would match Zhongguo's adjusted outward remittance rates based on Hanshan's considerations, such as Hanshan's costs of purchasing the CNY currency, Zhongguo's adjusted remittance rates and the number of customers at Hanshan's counters.³³⁷ Thng Bee Keow (Hanshan) stated that the decision to match Zhongguo's outward CNY remittance rates after receiving information from Zhongguo, as well as the subsequent adjustment to the rates published on Hanshan's publication platforms, could be done in a matter of seconds or minutes.³³⁸

(5) *Ceasing of the Information Exchange Conduct*

190. The Parties were consistent in stating that the Information Exchange Conduct ended in February 2022.³³⁹ In this regard, Zhongguo's employees provided evidence during their interviews that they were instructed by Zhongguo's management on 22 February 2022 that starting from the next day (ie. 23 February 2022), the ZG Counter Team no longer needed to inform Hanshan of Zhongguo's outward CNY remittance rates as a result of CCCS's investigation.³⁴⁰ This is corroborated by the phone call logs which show that the last call between Zhongguo and Hanshan was on 22 February 2022.³⁴¹
191. CCCS notes that in their written representations, Zhongguo and Hanshan did not dispute that they had carried out the Information Exchange Conduct in the manner described in Section VIII.³⁴²

IX. Analysis of evidence & findings on Information Exchange Conduct

192. As set out in Sections II, III and IV of Chapter 2 above, an infringement of s 34 of the Act is established where:

³³⁵ NOI of Sun Linlin (Zhongguo) dated 14 March 2022, Q50; NOI of Sun Linlin (Zhongguo) dated 11 December 2023, Q127 to 132; NOI of Zhong Wanshan (Zhongguo) dated 21 November 2023, Q117.

³³⁶ NOI of Wang Meiqin (Zhongguo) dated 14 March 2022, Q101.

³³⁷ NOI of Thng Bee Keow (Hanshan) dated 21 April 2022, Q88, Q246 and Q250.

³³⁸ NOI of Thng Bee Keow (Hanshan) dated 21 April 2022, Q246 to 248 and 263.

³³⁹ Hanshan's Voluntary Submissions dated 1 August 2022, at paragraph 34; Hanshan's Responses dated 9 September 2022 to CCCS's s 63 Notice dated 17 August 2022, at paragraphs 1.3 and 1.10; NOI of Sun Linlin (Zhongguo) dated 14 March 2022, at Q100, 101, 106, 110, 111, 114, 136 and 156; NOI of Wang Meiqin (Zhongguo) dated 14 March 2022, at Q112, 113 and 171.

³⁴⁰ NOI of Sun Linlin (Zhongguo) dated 14 March 2022, at Q100, 101, 106, 110, 111, 114, 136 and 156; NOI of Wang Meiqin (Zhongguo) dated 14 March 2022, at Q112, 113 and 171.

³⁴¹ [S<] Response to CCCS's s 63 Notice dated 27 October 2022

³⁴² In fact, CCCS notes that in Zhongguo's written representations, it had explicitly acknowledged the Information Exchange Conduct that took place with Hanshan. See Zhongguo's Written Representations dated 11 February 2025, at paragraphs 19, 20 and 28.

- a. there is an agreement and/or concerted practice between undertakings; and
- b. the agreement and/or concerted practice has the object or effect of preventing, restricting or distorting competition within Singapore.

193. CCCS finds that (i) there was an agreement and/or concerted practice between the Parties to engage in the Information Exchange Conduct; and (ii) the agreement and/or concerted practice between the Parties, in the form of the Information Exchange Conduct, had the object of preventing, restricting or distorting competition within Singapore. CCCS's analysis of the evidence, the Parties' representations and CCCS's responses to the Parties' representations are set out below.

A. Agreement and/or concerted practice between undertakings to exchange information

194. As set out in the case law cited in Section II of Chapter 2 above, for an agreement under the section 34 prohibition to exist, it is sufficient that parties "*expressed their joint intentions to conduct themselves on the market in a specific way*" (see paragraphs 30 and 31 above). All that is required is that parties arrive at a consensus on the actions that each party will, or will not, take.³⁴³ These principles were affirmed in *Bayer AG v Commission* ("***Bayer AG***")³⁴⁴ cited by Zhongguo.³⁴⁵

195. A concerted practice exists if parties, even if they do not enter into an agreement, knowingly substitute the risks of competition for practical cooperation between them.³⁴⁶

196. As noted at paragraph 37 above, it is not necessary for the purposes of finding an infringement of the section 34 prohibition to characterise the conduct as exclusively an agreement or a concerted practice. These terms are intended to cover various forms of collusion and are only distinguishable from each other by their intensity and the forms in which they manifest themselves.³⁴⁷ The conduct of undertakings is capable of being both a concerted practice and an agreement.³⁴⁸

197. Based on the evidence set out in Section VIII of Chapter 2 above, CCCS finds that there is clear and ample evidence showing that Zhongguo and Hanshan had an agreement

³⁴³ CCCS Section 34 Guidelines, at paragraph 2.10.

³⁴⁴ Case T-41/96 *Bayer AG v Commission*.

³⁴⁵ *Bayer AG*, at [67] to [69] and [173]; Zhongguo's Written Representations dated 11 February 2025, at paragraph 37.

³⁴⁶ Case 48/69 *ICI v Commission* [1972] ECR 619 ("***Dyestuffs***") at [64], Joined Cases 40 to 48, 50, 54 to 56, 111, 113 and 114-73 *Coöperatieve Vereniging "Suiker Unie" UA and others v Commission* [1975] ECR 1663 ("***Suiker Unie***") at [26] to [28], *Apex Asphalt and Paving Co Limited v Office of Fair Trading* [2005] CAT 4 at [196]; CCCS Section 34 Guidelines, at paragraph 2.18.

³⁴⁷ C-49/92 P *Commission v Anic Participazioni* [1999] ECR I-4125, EU:C:1999:356, at [131].

³⁴⁸ *Hercules Chemicals* at [264]. See also *JJB Sports plc and Allsports Limited v Office of Fair Trading* [2004] CAT 17 ("***JJB Sports***") at [644].

and/or concerted practice between them to exchange information on their respective outward CNY remittance rates. The evidence provided by Zhongguo and Hanshan corroborated each other's account, showing a clearly defined arrangement that was reciprocal between the Parties, demonstrating the consensus reached by the Parties on the actions each Party would take.

198. The salient features of the agreement and/or concerted practice between the Parties were as follows:

- a. The agreement and/or concerted practice between Zhongguo and Hanshan was to inform each other of their respective outward CNY remittance rates (see paragraphs 145 to 147 above);
- b. The exchange of information between Zhongguo and Hanshan occurred whenever either Party adjusted their outward CNY remittance rates and also included informing each of their respective opening rates close to the start of business hours every day (see paragraphs 145, 153 to 155 above). Such exchanges could occur a few times in a given day. Both Parties took mere minutes to inform each other of their respective adjusted outward remittance rates from the time of adjustment (see paragraphs 153 to 157 above);
- c. Zhongguo's and Hanshan's employees carried out the agreement and/or concerted practice in three ways: (1) employees from each Party notifying each other of their respective updated remittance rates verbally in person, (2) employees passing paper slips containing their respective updated remittance rates; and (3) employees making phone calls to notify each other of their respective updated remittance rates (see paragraphs 158 to 171 above); and
- d. The agreement and/or concerted practice took place from at least 1 January 2016 to 22 February 2022 (see paragraphs 145 to 151 and 190 above).

199. CCCS also finds on the evidence that Zhongguo and Hanshan had exchanged the following types of information (see paragraphs 172 to 187 above):

- a. Published rates that were made available on all of Zhongguo's publication platforms and all of Hanshan's publication platforms, which may not necessarily have been the same as transaction rates; and
- b. Transaction rates, including tiered rates, that were applicable to ZG Counter Remittance (which were the same rates applied to ZG Email Remittance, ZG

Web Remittance and ZG App Remittance)³⁴⁹ and HS Counter Remittance (which were the same rates applied to HS Email Remittance).

200. The above findings indicate that the Parties, who are direct competitors in the provision of remittance services, had engaged in a pattern of regular and direct communication where they would disclose, in almost real-time, any adjustments they made to their respective outward CNY remittance rates (including rates that may not necessarily be published). As noted in paragraph 16, remittance rates is a key factor of competition between remittance service providers. The Information Exchange Conduct clearly underscored an arrangement where the Parties had knowingly substituted the risks of competition in favour of practical co-operation between them.
201. CCCS notes that whilst Hanshan had provided information on its published rates and transaction rates to Zhongguo, there were instances where Hanshan's actual transaction rates charged to customers deviated from the information provided to Zhongguo. In this regard, CCCS notes that the HS Counter Team had the discretion to offer a customer who sought to bargain for a slightly higher rate (ie. a better rate for customers) than the published rate available on Hanshan's publication platforms (see paragraph 184 above). In addition, Zhongguo had observed instances of Hanshan "cheating" on the agreement and/or concerted practice where Hanshan did not charge customers the outward CNY remittance rates that were informed to Zhongguo (see paragraph 183 above). As set out in the case law cited in Sections II and IV of Chapter 2 above, an undertaking who "cheats" through acting differently from the agreement and/or concerted practice is still liable for infringement under the section 34 prohibition (see paragraphs 31 and 51 above).
202. Zhongguo submitted that the Information Exchange Conduct did not amount to an agreement and/or concerted practice between the Parties. While Zhongguo's arguments are not immediately clear from its representations, CCCS understands Zhongguo to be making the following arguments:
- a. There was no binding and enforceable agreement between the Parties regarding the coordination of remittance rates.³⁵⁰
 - i. The mere exchange of information is insufficient to establish an agreement unless there is demonstrable evidence of a mutual commitment to alter market behaviour or affect the market condition (citing *Suiker Unie*).³⁵¹

³⁴⁹ Except that rates on ZG Web Remittance and ZG App Remittance may have deviated from counter rates on occasion.

³⁵⁰ Zhongguo's Written Representations dated 11 February 2025, at paragraphs 30 and 38.

³⁵¹ Zhongguo's Written Representations dated 11 February 2025, at paragraph 29.

- ii. There was no evidence of a mechanism to enforce compliance between the Parties.³⁵²
 - iii. A unilateral act, such as mere sharing or observing some competitor prices, does not amount to an anti-competitive agreement (citing *Bayer AG*).³⁵³
 - iv. Even for companies that operate in a shared digital environment using a common pricing algorithm, an infringement cannot be established unless it is proven that firms were aware of and intentionally engaged in anti-competitive behaviour (citing "*Eturas*" *UAB and Others v Lietuvos Respublikos konkurencijos taryba* ("***Eturas UAB***")³⁵⁴).³⁵⁵
- b. There was no concerted practice between the Parties, as they did not engage in conduct that suggested the substitution of competition risks with cooperation, unlike in *Dyestuff*.³⁵⁶

203. CCCS rejects Zhongguo's representations that an agreement and/or concerted practice did not exist between the Parties for reasons set out below:

- a. As set out in the case law cited in Section II of Chapter 2 above, an "agreement", in the context of a section 34 prohibition, does not require the existence of a legally binding contract.
- b. CCCS observes that the legal proposition in paragraph 202.a.i. above was not in fact held in *Suiker Unie*, which was concerned with concerted practices, not agreements.³⁵⁷ Notwithstanding this, the precise and consistent body of evidence on the Information Exchange Conduct found by CCCS, as set out in from paragraphs 145 to 191 and summarised at paragraphs 198 to 200 above, which both Parties did not dispute in their representations, clearly shows that the Parties had an arrangement to exchange information with each other on their real-time published rates and transaction rates whenever adjustments were made, and in fact did so. In the absence of any plausible explanation as to why the Parties had conducted themselves in such a manner over a significant period of

³⁵² Zhongguo's Written Representations dated 11 February 2025, at paragraphs 30 and 38.

³⁵³ Zhongguo's Written Representations dated 11 February 2025, at paragraph 37, citing *Bayer AG* at [173], [176], [180] and [184]. Although Zhongguo had also cited paragraph [187] of this decision, CCCS notes that this paragraph does not exist in the decision.

³⁵⁴ Case C-74/14 "*Eturas*" *UAB and Others v Lietuvos Respublikos konkurencijos taryba* ("***Eturas UAB***").

³⁵⁵ Zhongguo's Written Representations dated 11 February 2025, at paragraph 37. Although Zhongguo cited *Eturas UAB* for this proposition, Zhongguo did not state which paragraph(s) in *Eturas UAB* contain this proposition.

³⁵⁶ Zhongguo's Written Representations dated 11 February 2025, at paragraph 30. CCCS notes that Zhongguo did not refer to any specific paragraph in *Dyestuffs* in footnote 24 of its representations.

³⁵⁷ *Suiker Unie*, at [172] to [179] and [192].

not less than six years (see paragraph 253 below), CCCS infers that there was a joint intention between the Parties to engage in the Information Exchange Conduct.

- c. The case authorities do not support Zhongguo's contention that there must be a mechanism to ensure compliance by the parties to make out an agreement under the section 34 prohibition. There are ample cases that found the existence of an agreement for the purposes of the section 34 prohibition (or its equivalent provision in EU and UK) without the need for the said agreement to have an enforcement mechanism to ensure compliance by the parties to the agreement.³⁵⁸
- d. The present case does not concern a unilateral act. In fact, the evidence clearly establishes that the Information Exchange Conduct reciprocal in nature. In any event, a unilateral disclosure of strategic information by one undertaking to another may also constitute a concerted practice between undertakings to restrict competition where the latter requests it, or at the very least, accepts it (see paragraph 34 above).
- e. Contrary to Zhongguo's representations, CCCS observes that it was not held in *Eturas UAB* that an infringement cannot be established unless it is proven that firms were aware of and intentionally engaged in anti-competitive behaviour. CCCS also notes that Zhongguo did not refer to any specific paragraphs of *Eturas UAB* to support its representations.
- f. Contrary to Zhongguo's submission, the evidence clearly shows that the Parties had knowingly substituted the risks of competition for practical cooperation between them, thus making out a concerted practice. As held in *Dyestuffs*, "*a concerted practice does not have all the elements of a contract but may inter alia arise out of coordination which becomes apparent from the behaviour of the participants*" (see paragraph 33 above). In this regard, the Parties had cooperated with each other to exchange rate information, and did so directly and regularly (see paragraphs 145 to 191 above). The rate information exchanged was a key factor of competition between the Parties (see paragraphs 8 and 16 above). It was also information that the Parties took into account in setting their own remittance rates (see paragraphs 65 and 188 for Zhongguo and paragraphs 112 and 189 for Hanshan). This reduced the level of uncertainty in the market as between the Parties that would otherwise have been present under normal conditions of competition. This will be elaborated below at Section IX(B).

³⁵⁸ See for example, the EC's decisions in case IV/31.865 *PVC* OJ [1994] L 239/14, at [30] (upheld on appeal) and case IV/34466 *Greek Ferries* OJ [1998] L 109/24, at [141] (upheld on appeal). See also, the CMA's decision in case 50415 "*Supply of groundworks products to the construction industry*" [2020], at [5.66].

204. After considering the evidence and Zhongguo's representations, CCCS reiterates its findings above that there was mutual consensus between the Parties to engage in the Information Exchange Conduct, which clearly amounted to an agreement within the scope of the section 34 prohibition. Even if the Parties' claim that there was no such consensus was true (despite their admission that there was in fact an arrangement between them to exchange price information), it is also clear that the Information Exchange Conduct amounted to a concerted practice within the scope of the section 34 prohibition, as the Parties had knowingly substituted the risks of competition in favour of practical cooperation between them.

B. Object or effect of preventing, restricting or distorting competition within Singapore

205. As set out in the case law cited in Section IV of Chapter 2 above, it is an established position in law that "*the exchange of information between competitors is incompatible with the competition rules if it reduces or removes the degree of uncertainty as to the operation of the market in question, with the result that competition between undertakings is restricted*" (see paragraph 45 above).

206. Further, an information exchange will give rise to a restriction of competition by object where it is "*capable of removing uncertainty between participants as to the timing, extent and details of the modifications to be adopted*" in their conduct on the market (see paragraph 45 above).

207. After considering evidence on the nature of the market, the characteristics of the information exchanged and the Parties' representations, CCCS finds that the Information Exchange Conduct had the object of preventing, restricting or distorting competition within Singapore.

(1) Nature of the market

208. As observed at paragraphs 8 and 16 above, a key factor that customers consider when selecting a remittance service provider, and consequently a key factor of competition between remittance service providers, is price ie. the relevant remittance rate for their remittance transaction. The higher the remittance rate, the more money in intended currency the recipient would receive for the same amount of local currency the sender remits.

209. Hanshan explained that the dynamic nature of price competition in the remittance market entails regular adjustments to the remittance rates (including outward CNY remittance rates). Zhongguo and Hanshan would typically match their outward remittance rates against each other in order to compete with each other. Hanshan acknowledged that such

price-matching behaviour is common within this dynamic market, especially so given that the Parties are located in close proximity to each other.³⁵⁹

210. Various employees of Zhongguo and Hanshan also explained that customers frequently compared the outward remittance rates offered by the remittance service providers in PPC and bargained with Zhongguo and Hanshan to get them to offer the same remittance rates as other remittance service providers. Failing to offer the same or higher rate than other remittance service providers in PPC could have resulted in losing the customer.³⁶⁰
211. In this regard, CCCS finds that outward CNY remittance rates offered by remittance service providers were updated frequently and unpredictably. This can be observed from the data³⁶¹ on outward CNY remittance rates provided by Zhongguo and Hanshan in response to CCCS's notices under s 63 of the Act³⁶², as well as evidence provided by various employees and management members of Zhongguo and Hanshan during their interviews (see paragraphs 66 to 68, 110 to 113 and 153 to 154 above). In addition, Zhongguo and Hanshan were close competitors located just beside each other, which enabled customers to more easily obtain the remittance rates from their respective counters and compare the outward remittance rates offered by the Parties,³⁶³ as compared to them being located far apart. CCCS also finds that outward remittance services of CNY, in particular, were of significant importance to Zhongguo and Hanshan given that this service accounts for the largest proportion of Zhongguo's and Hanshan's respective outward remittance transaction values (see paragraph 172 above).

(2) *Characteristic of information exchanged*

212. In assessing the characteristics of the information exchanged between the Parties, CCCS considers whether the information exchanged is capable of reducing or removing uncertainty between the Parties as to their operation in the market (see paragraph 45 above). This will include factors such as:³⁶⁴

³⁵⁹ Hanshan's Voluntary Submissions dated 1 August 2022, at paragraph 49.

³⁶⁰ NOI of Zhong Wanshan (Zhongguo) dated 9 November 2023, Q135, 142, 144, 155, 159 and 198; NOI of Sun Linlin (Zhongguo) dated 12 December 2023, Q141; NOI of Wang ChunYan (Hanshan) dated 8 January 2024, Q58, 124; NOI of Chua Poh Eng (Hanshan) dated 8 January 2024, Q170.

³⁶¹ Hanshan's data on outward CNY remittance rates was provided for the period of 1 January 2016 – 30 June 2023; Zhongguo's data on outward CNY remittance rates was provided for the period of 24 November 2015 – 30 June 2023.

³⁶² Hanshan's response dated 6 September 2021 to CCCS's s 63 notice dated 18 August 2021; Hanshan's response dated 9 September 2022 to CCCS's s 63 notice dated 17 August 2022, q5(a); Hanshan's response dated 8 September 2023 to CCCS's s 63 notice dated 15 August 2023, Q17; Zhongguo's response dated 28 September 2021, 1 October 2021, 6 October 2021 to CCCS's s 63 notice dated 18 August 2021, Q2a; Zhongguo's response dated 23 September 2022 to CCCS's s 63 notice dated 5 August 2022; Zhongguo's response dated 22 August 2023 to CCCS's s 63 notice dated 31 July 2023, Q16.

³⁶³ NOI of Lim Jing Xian (Hanshan) dated 19 April 2022, Q63; NOI of Wang Meiqin (Zhongguo) dated 10 November 2023, Q78; NOI of Zhong Wanshan (Zhongguo) dated 21 November 2023, Q155 and 157; NOI of Wu Wenxi (Zhongguo) dated 7 December 2023, Q256; NOI of Sun Linlin (Zhongguo) dated 12 December 2023, Q135, Q137, Q140 and Q141.

³⁶⁴ CCCS Section 34 Guidelines, at paragraphs 3.20 to 3.25.

- a. Whether the information is strategic/commercially sensitive; and
 - b. Whether the information is public or confidential.
213. As set out in paragraph 187 above, CCCS finds on the evidence that the Parties had exchanged information on:
- a. The Parties' published rates made available on their respective publication platforms; and
 - b. The Parties' transaction rates, including full lists of tiered rates, that were applicable to ZG Counter Remittance (which were the same rates applied to ZG Email Remittance, ZG Web Remittance and ZG App Remittance) and HS Counter Remittance (which were the same rates applied to HS Email Remittance and HS App Remittance).
214. In addition, as noted at paragraphs 153 to 157 and 200 above, the Parties would disclose, in almost real-time, their respective outward CNY remittance rates to each other. This was done close to the start of business hours every day and, subsequently, whenever adjustments were made by either Party to their outward CNY remittance rates.
215. CCCS therefore finds that the Parties had exchanged information on (i) the prevailing outward CNY remittance rates that each Party was offering to customers at any point in time (which will be applied into the future until the next update); and (ii) the timing of the Parties' next adjustment of rates.
- (a) Whether the information is strategic/commercially sensitive
216. At the outset, CCCS notes that the terms "strategic", "commercially sensitive" and "competitively sensitive" have been used interchangeably in various case authorities.³⁶⁵ Generally, CCCS considers that information which relates directly to the prices charged or elements of a pricing policy, eg. discounts, costs, terms of trade, rates and dates of price change,³⁶⁶ is likely strategic information as price is typically an important parameter of competition in many markets. In the present case, CCCS finds that the Parties had exchanged information on (i) a component of the price to be paid by customers (ie. the rate figure), and (ii) elements of their pricing policy (ie. the timing at which the Parties' published rates and transaction rates were adjusted).

³⁶⁵ CMA's Guidance on the application of the Chapter I Prohibition in the Competition Act 1998 to horizontal agreements (CMA 184), at paragraph. 8.34; *Koninklijke Philips*, at [136]; and *Banco*, at [64].

³⁶⁶ CCCS Section 34 Guidelines, at paragraph 3.22.

217. In the context of the remittance industry, CCCS finds that the price and pricing policy information exchanged (both the rate figure and the timing at which the Parties' published rates and transaction rates were adjusted) in the Information Exchange Conduct was of strategic importance to the Parties and capable of influencing the Parties' strategic decision-making in how they set their outward CNY remittance rates offered to customers:

- a. Parties competed against each other for customers based on the outward CNY remittance rates that they offered, whether published rates or transaction rates. It is clear from the evidence that the information communicated between the Parties during each exchange was specific to each adjustment of their respective transaction rates and published rates. The Parties themselves admitted that the remittance rates offered to their customers are an important parameter of competition, and the remittance rates offered by one Party were a factor taken into consideration by the other Party in setting its own rates (see paragraphs 65, 112, 188, 189 above and 241 below). Transaction rates, especially, would be actual rates that the Parties offered to customers to compete, since published rates were indicative (see paragraphs 88, 94 and 133 above) and might not be updated to be the same as transaction rates (see paragraphs 94 to 101, 135 and 136 above). This is underscored by the Parties' efforts in carrying out the Kan Dan Practice even though this practice resulted in fights between the Parties' staff (see paragraphs 147 to 151 and 182 above).
- b. Other than the rate figure itself, the evidence shows that there is strategic value in the information relating to the *point in time* at which the prevailing published rate and transaction rate would cease to apply and be replaced with a new prevailing published rate and transaction rate, given the market context which includes the fast and unpredictable movement of remittance rates in the remittance industry:
 - i. Since (i) customers could be highly sensitive to the remittance rates as they formed a key element of the price to be paid by the customer; (ii) remittance rates were adjusted frequently and unpredictably; and (iii) the Parties were situated in close proximity to each other at PPC, the Parties had to pay close attention to each other's prevailing outward CNY remittance rates and the timing at which each other adjusted their rates in order to attract and compete for customers from each other.
 - ii. This is underscored by Hanshan's representations that "*the dynamic nature of price competition within the market for the provision of outward remittance services for RMB in Singapore entails regular adjustments to remittance rates*" and that "round the clock" monitoring

is market practice ³⁶⁷. This is consistent with Zhongguo's representations that "[g]iven the volatility of the forex market, ZGR's rates are subject to multiple changes throughout the day. These adjustments are made in response to fluctuations in the USD exchange rate and other cost pressures", "the remittance industry is highly dynamic, with rates fluctuating throughout the day due to changes in foreign exchange markets" and "ZGR operates in a dynamic and volatile financial environment where currency exchange rates fluctuate frequently."³⁶⁸.

- c. When taking the information exchanged together (both the rate figure and the timing at which the Parties' published rates and transaction rates were adjusted), it could reasonably be inferred by the Parties that the rate figure disclosed by one Party would continue to be offered to customers into the future until a new rate was disclosed by the same Party. Given that the Information Exchange Conduct allowed the Parties to receive such information directly from each other and close to the actual moment that each Party started offering the rate to customers, CCCS considers that this created a climate of mutual certainty between the Parties as to their future pricing decisions, as the Information Exchange Conduct provided the Parties with reliable and timely information on each other's adjustments to their outward CNY remittance rates. Further, the increase in certainty between the Parties as to their future pricing decisions was bolstered by the fact that the agreement and/or concerted practice between the Parties was for one Party to inform the other Party every time there was a change in one Party's outward CNY remittance rates (see paragraphs 153 to 157 above).

218. Hanshan and Zhongguo do not dispute that the information exchange has to relate to strategic information in order for such conduct to fall under the section 34 prohibition.³⁶⁹ However, the Parties' representations centred on the argument that the information exchanged should relate to information concerning an undertaking's future conduct in the market in order to make out an infringement of the section 34 prohibition:

- a. Zhongguo submitted that that an exchange of information does not necessarily infringe competition law where the information is already publicly accessible and does not relate to future competitive behaviour.³⁷⁰

³⁶⁷ Hanshan's Written Representations dated 21 February 2025, at paragraph 20.

³⁶⁸ Zhongguo's Written Representations dated 11 February 2025, at paragraphs 15, 50 and 62.

³⁶⁹ Zhongguo's Written Representations dated 11 February 2025, at paragraph 48. Hanshan's Written Representations dated 21 February 2025, at paragraphs 8 and 9.

³⁷⁰ Zhongguo's Written Representations dated 11 February, at paragraph 49.

- b. Hanshan does not dispute, and has itself submitted, that disclosures by an undertaking of its prices to another undertaking (even after having decided upon and disclosed its prices to its customers), would still amount to an infringement, but added the qualification that this is only so “*if such disclosure eliminates in advance the uncertainty concerning the future conduct of the undertaking and its competitors*”.³⁷¹
- c. Hanshan also submitted that CCCS was mistaken in finding that the sharing of published rates and transaction rates constituted “future pricing decisions” (as set out in paragraph 217.c above). Relying on *Banco BPN/BIC Portugues and Others* (“**Banco**”), Hanshan submitted that the Parties’ published rates and transaction rates were not strategic information as they did not constitute future pricing intentions³⁷²; and the information exchanged did not allow the Parties to infer with sufficient precision each other’s future conduct given the actual conditions of the remittance market and the Parties’ cost structure.³⁷³

219. CCCS rejects the Parties’ aforementioned representations for reasons elaborated below.

220. First, CCCS disagrees with the Parties’ representations that information exchanged must relate to an undertaking’s *future* conduct in the market in order to qualify as strategic information or to be caught as an infringement of the section 34 prohibition. CCCS notes Hanshan’s reliance on *Banco* in making its representations that the Parties’ published rates and transaction rates do not relate to the Parties’ future pricing intentions and therefore are not strategic information. In CCCS’s view, whilst *Banco* confirms that information exchange relating to the participants’ future conduct would generally be considered strategic information, *Banco* does not, and should not, stand for the proposition that *only* information relating to the participants’ future conduct would be considered strategic information.³⁷⁴ Such a restrictive interpretation of *Banco* does not comport with the fact that any assessment on information exchange is ultimately contextual, having regard to the nature of the products or services in question, the actual conditions in which the market functions and the structure of that market.³⁷⁵

221. CCCS considers that, generally, information concerning future conduct is more likely to have the capacity to reduce or remove the degree of uncertainty as to the operation of the market in question, and also more likely to have the capacity to influence an undertaking’s strategic decision-making. In this regard, CCCS is of the view that any exchange of information on an undertaking’s individualised data regarding intended future prices would likely be considered a restriction of competition by object.³⁷⁶

³⁷¹ Hanshan’s Written Representations dated 21 February 2025, at paragraphs 11 to 13.

³⁷² Hanshan’s Written Representations dated 21 February, at paragraphs 17 and 18.

³⁷³ Hanshan’s Written Representations dated 21 February 2025, at paragraph 19.

³⁷⁴ *C-298/22 Banco BPN v BIC Português and Others* (“**Banco**”), EU:C:2024:638, at [64].

³⁷⁵ *Banco*, at [55].

³⁷⁶ CCCS Section 34 Guidelines, at paragraph 3.22.

However, CCCS considers that the age of the information or the period to which the information relates to, in itself, is not necessarily determinative as to whether the information in question is strategic or has the capacity to reduce or remove uncertainty. In this regard, CCCS is of the view that the more recent or current the price information exchanged, the more likely that the exchange of information could have an appreciable adverse effect on competition.³⁷⁷

222. Second, CCCS finds that, even if the principles in *Banco* were to be applied, the information exchanged by the Parties would be considered strategic information. *Banco* held that information relating to current events can be regarded as strategic if the participants to the information exchange arrangement are able to infer with sufficient precision the strategy and future conduct of the other participants in that exchange having regards to the nature of the goods or services in question, the actual conditions in which the market functions, the cost structure or the production and management methods of the participants in that exchange.³⁷⁸ CCCS considers that the Parties' arrangement to directly inform each other as soon as they decided on their remittance rates provided each other with a significant level of certainty and precision regarding their adjustment of rates offered to customers into the future and would qualify as an exchange of strategic information. This is in view of the inherent uncertainty in the movement of outward CNY remittance rates where the factors considered by the Parties to adjust their remittance rates include factors that cannot be predicted or controlled ahead of time (eg. foreign currency exchange rates, competitors' remittance rates and the respective costs of obtaining CNY from third-party agents and from its own inward CNY remittance services³⁷⁹) which result in remittance rates being adjusted frequently and unpredictably (see paragraph 211 above), and the speed at which each Party can decide and implement adjustments to their respective remittance rates (ie. in a matter of minutes) (see paragraphs 188 and 189 above).
223. Third, in any event, CCCS finds on the evidence that even though the information exchanged by the Parties related to the Parties' prevailing rate charged to customers, the agreement and/or concerted practice to inform each other of their respective outward CNY remittance rates every time the rates were adjusted (see paragraphs 153, 154 and 198.a above) increased the level of certainty between the Parties that the rate figure disclosed by one Party would continue to be offered to customers into the future until a new rate was disclosed by the same Party and created a climate of mutual certainty between the Parties as to their *future pricing decisions*. CCCS reiterates paragraph 217.c above. As held by the ECJ in *Banco*, any exchange of information relating to future

³⁷⁷ CCCS Section 34 Guidelines, at paragraph 3.23.

³⁷⁸ Hanshan's Written Representations dated 21 February 2025, at paragraph 19; and *Banco*, at [65].

³⁷⁹ Hanshan's Written Representations dated 21 February 2025, at paragraphs 24 and 25; Hanshan's Voluntary Submissions dated 1 August 2022, at paragraphs 9 and 10; NOI of Thng Koon Eng (Hanshan) dated 12 July 2021, Q76 and 82; NOI of Huang Guanhua (Zhongguo) dated 12 July 2021, Q102, 130 and 173; NOI of Zhong Wanshan (Zhongguo) dated 10 November 2023, Q154 and 155; NOI of Sun Lin Lin (Zhongguo) dated 20 November 2023, Q154 and 155.

prices, or some of the factors determining those prices, is inherently anticompetitive in the light of the risk of harm to competition which they entail.³⁸⁰ Accordingly, CCCS rejects Hanshan's representations that CCCS was mistaken in finding that the sharing of published rates and transaction rates constituted "future pricing decisions".

224. For completeness, CCCS notes that Hanshan also made the following representations:

- a. Absent the Information Exchange Conduct, the Parties would still typically match their outward CNY remittance rates against each other, as well as the Parties' other competitors.³⁸¹
- b. With or without the Information Exchange Conduct, Hanshan continued to compete aggressively with Zhongguo to provide the best possible CNY remittance rate to customers.³⁸²
- c. If Hanshan had matched Zhongguo's rate, it meant that Hanshan adjusted its outward CNY remittance rate to be as competitive as Zhongguo's. It was not always the case that Hanshan would match Zhongguo's or other competing remittance service providers' outward CNY remittance rates. The Parties would consider multiple factors, including each other's rates, other competitors' rates, cost price and mark-ups, in deciding its own remittance rate(s).³⁸³

225. CCCS considers that the aforementioned representations are focused on how Hanshan or the Parties had conducted themselves after receiving the information from each other, and are irrelevant to the issue of whether the information exchanged had strategic value. CCCS also reiterates that the section 34 prohibition is not only designed to protect the immediate interests of individual competitors or consumers but also to protect the structure of the market and the process of competition. Thus in order to find an anticompetitive object, there does not need to be a direct link between the agreement and/or concerted practice and consumer prices (see paragraph 45 above). In any event, CCCS's response to the Parties' representations on the effects of the Information Exchange Conduct is set out below at paragraphs 243 and 244.

(b) Whether the information was public or confidential

226. Public information is objective market data that is readily accessible.³⁸⁴ CCCS notes that generally, the exchange of information that is genuinely publicly and readily accessible is less likely to have the capacity to reduce or remove the degree of uncertainty as to the

³⁸⁰ *Banco*, at [64].

³⁸¹ Hanshan's Written Representations dated 21 February 2025, at paragraph 20.

³⁸² Hanshan's Written Representations dated 21 February 2025, at paragraphs 22 and 23.

³⁸³ Hanshan's Written Representations dated 21 February 2025, at paragraphs 24, 25 and 26.

³⁸⁴ Case T-799/17 *Scania AB and others v Commission* EU:T:2022:48 ("*Scania*"), at [347]; Case T-53/03 *BPB plc v Commission* EU:T:2008:254 ("*BPB*"), at [236]; and *FSL Holdings*, at [323].

operation of the market in question, given that such information may be expected to have already been received and taken into account by the recipient undertaking.

227. From case law, CCCS notes that information will possess the quality of confidence so long as it remains relatively secret or relatively inaccessible to the public as compared to information already in the public domain.³⁸⁵ Information can continue to retain its quality of confidence even if component parts are in the public domain³⁸⁶ or the information is known to some members of the market (eg. customers)³⁸⁷ as the information may not be readily accessible to competitors and customers alike. The assessment is ultimately one of fact and degree.
228. In addition, the mere fact that information exchanged could be gathered from the market does not prevent it from giving rise to an infringement.³⁸⁸ If an exchange of information enables participants of the exchange to become aware of the relevant information more simply, rapidly and directly than otherwise, such an arrangement also has the capacity to reduce or remove the degree of uncertainty as to the operation of the market in question.³⁸⁹ This position has also been adopted in CCCS's infringement decision relating to the price of ferry tickets between Singapore and Batam.³⁹⁰
229. In the present case, CCCS finds that information on the Parties' transaction rates and published rates was not readily accessible by the market (ie. by customers and competitors):
- a. Information on the timing at which the Parties' transaction rates and published rates were updated was confidential to the Parties and not available in the market, given that the Parties (a) did not announce their schedules on when they would change their rates, and (b) did not update their rates at predictable intervals.
 - b. CCCS notes that information on the Parties' transaction rates would be known by some members of the market, being customers who made the specific enquiry for the Parties' transaction rates. However, absent the Information Exchange Conduct and faced with the pressure of competition, the Parties would have had to engage in intensive and continuous information gathering in order to obtain information bearing the same extent of completeness and details as the information exchanged directly between the Parties.

³⁸⁵ *Invenpro (M) Sdn Bhd v JCS Automation Pte Ltd and another* [2014] SGHC 38 ("*Invenpro*"), at [130(a)].

³⁸⁶ *Scania*, at [345]; and *Invenpro* at [130(e)].

³⁸⁷ *Scania*, at [347]; *FSL Holdings*, at [323]; *BPB*, at [236]; *Tate & Lyle*, at [60]; and *Balmoral Tanks (CAT)*, at [122].

³⁸⁸ *Lexon*, at [187(7)].

³⁸⁹ *BPB*, at [236]; *Tate & Lyle*, at [60]; *Dole Food (GC)*, at [403]; *Lexon*, at [187(7)]; and *Balmoral Tanks (CAT)*, at [122].

³⁹⁰ *Re CCS Imposes Financial Penalties on Two Competing Ferry Operators for Engaging in Unlawful Sharing of Price Information* [2012] SGCCS 3, at paragraph 147.

- i. As found in paragraphs 77, 93 and 136 above, transaction rates include tiered rates where different rates applied depending on the amount to be remitted by the customer. For a member of the public to obtain information on Zhongguo's tiered rates, he or she would have to personally visit Zhongguo's counters, or be a registered customer of Zhongguo to access Zhongguo's customer service portal on its website (ZG Web Remittance) or Zhongguo's mobile application (ZG App Remittance). For enquiries at the counter, the ZG Counter Team did not typically communicate the full list of tiered rates to the customer. Instead, the ZG Counter Team would check how much the customer intended to remit, and would inform the customer of the applicable rate for that remittance amount. For ZG Web Remittance and ZG App Remittance, customers had to key in the remittance amount that they intended to transfer, in order for the applicable tiered rate to be displayed to them (ie. the full list of tiered rates including the threshold amounts in respect of each tier is not displayed upfront) (see paragraphs 83 to 87 and 93 above).

For a member of the public to find out Hanshan's tiered rates, he or she would need to visit Hanshan's counters, write in via email or place a call to Hanshan. However, the HS Counter Team only provided information to an enquiring customer on the outward remittance rates applicable to the remittance amount that the customer wished to remit.³⁹¹ In other words, the HS Counter Team would not unilaterally provide the full list of tiered rates (see paragraphs 130, 132, and 136 above).

- ii. Thus, even if each of the Parties were to take steps to monitor the other (eg. round-the-clock monitoring of the Parties' transaction channels and through the Kan Dan Practice), it would be difficult to obtain the full list of tiered rates being offered by the Parties as this would entail having to repeat such steps multiple times based on a variety of intended remittance amounts (see paragraphs 83 to 90, 108, 127 to 132, 143 to 144 above)
 - iii. As noted at paragraphs 78 and 121 above, Hanshan offered tiered rates from 2016 to 2022 and Zhongguo offered tiered rates from at least 2019 to 2022.
- c. When transaction rates and published rates are the same (i.e. where the rate is expressed as a single rate), CCCS notes that the information on the Parties'

³⁹¹ NOI of Wang ChunYan (Hanshan) dated 8 January 2024, Q117 and 142; NOI of Zhang Lei (Hanshan) dated 8 January 2024, Q165, 202 and 237; NOI of Chua Poh Eng (Hanshan) dated 8 January 2024, Q150 and 189.

transaction rates and published rates available on their respective publication platforms would be considered as more readily accessible by the market as compared to the Parties' tiered rates. This is in view that Parties' published rates were available on their respective publication platforms and members of the public would be able to access such information with relative ease compared to the Parties' tiered rates (see paragraphs 81, 88 to 90, 124, 131 and 133 above). However, CCCS considers that this finding alone is not sufficient to cause the information exchanged on transaction rates and published rates (when they are the same single rate) to lose its quality of confidence to become public information. This is because the timing at which the Parties' transaction rates and published rates were updated was not available in the market (see paragraph 229.a above). Similar to tiered rates, customers and competitors would need to monitor the Parties' various publication platforms continuously in order to know immediately when the Parties updated their published rates.

- d. The fact that information on the Parties' published rates and transaction rates was not readily accessible to competitors and consumers, and that considerable resources (often several times during a day) would need to be expended to obtain information bearing the same extent of completeness and details as the information exchanged directly between the Parties, is demonstrated by the following evidence from various employees and management members of Zhongguo and Hanshan:
 - i. Prior to the Information Exchange Conduct, Thng Bee Keow (Hanshan) stated that Zhongguo had to employ a few employees just to carry out the Kan Dan Practice on Hanshan's customers.³⁹² Shi Ze (Zhongguo) stated that it was not easy to carry out the Kan Dan Practice because not every customer was willing to show their receipts.³⁹³ Wang Meiqin (Zhongguo) stated that Zhongguo's employees would previously ask their customers to look at the piece of paper placed at Hanshan's counters about once every hour.³⁹⁴ Huang Guanhua (Zhongguo) stated that Hanshan's employees would come over and pretend to be customers and ask for Zhongguo's rates and Zhongguo's employees would have to try and guess if this was a customer or an employee from Hanshan.³⁹⁵
 - ii. Thng Choo Hiang (Hanshan) stated that the Information Exchange Conduct allowed Hanshan to spend less effort to monitor Zhongguo's outward CNY remittance rates.³⁹⁶ In addition, both Thng Bee Keow

³⁹² NOI of Thng Bee Keow (Hanshan) dated 21 April 2022, Q222.

³⁹³ NOI of Shi Ze (Zhongguo) dated 10 January 2024, Q45.

³⁹⁴ NOI of Wang Meiqin (Zhongguo) dated 9 November 2023, Q186.

³⁹⁵ NOI of Huang Guanhua (Zhongguo) dated 12 July 2021, Q69.

³⁹⁶ NOI of Thng Choo Hiang (Hanshan) dated 21 April 2022, Q130.

(Hanshan) and Thng Choo Hiang (Hanshan) were in agreement that the Information Exchange Conduct enabled Hanshan to avoid having to dedicate manpower to have an employee constantly check Zhongguo's website to see when Zhongguo changed its rates.³⁹⁷ Sun Linlin (Zhongguo) stated that the Information Exchange Conduct allowed Zhongguo to cut down on "harassing" Hanshan's customers as well as the frequency of looking at the receipts of Hanshan's customers.³⁹⁸ Huang Guanhua (Zhongguo) also noted that the Information Exchange Conduct was set up on the condition that both Zhongguo and Hanshan would stop sending over their employees, employees' relatives and customers to find out about each other's rates.³⁹⁹

230. In view of the above, CCCS finds that the information that was exchanged between the Parties was not information that was readily accessible to competitors and consumers. Absent the Information Exchange Conduct, the Parties would have remained uncertain as to the timing, extent and details of any adjustments that each Party had applied in relation to their published rates and transaction rates. This was also evident from the fact that prior to the Information Exchange Conduct, the Parties had to overcome this uncertainty through the Kan Dan Practice.
231. In any event, compared to the considerable resources that would be needed to obtain information bearing the same extent of completeness and details as the information exchanged directly between the Parties (as demonstrated in paragraph 229.d above), CCCS finds that the Information Exchange Conduct enabled the Parties to be aware of each other's published and transacted rates more simply, rapidly and directly than they would from participating in the market.
232. In its written representations, Hanshan submitted that the published rates and transaction rates that were exchanged between the Parties were not confidential information as (i) both Hanshan and Zhongguo only shared their rates with each other after publishing them on their publication platforms and (ii) both Hanshan and Zhongguo made available their tiered rates at their counters. For Hanshan specifically, information on its outward CNY remittance rates (whether tiered rates or not) would be communicated loudly and clearly to enquiring customers.⁴⁰⁰ In the same vein, Zhongguo submitted that the information exchanged was publicly available information that was freely available at the Parties' counters and largely consistent with the rates published on the Parties respective publication platforms.⁴⁰¹ Whilst each Party's representations were framed in a slightly

³⁹⁷ NOI of Thng Bee Keow (Hanshan) dated 21 April 2022, Q210; NOI of Thng Choo Hiang (Hanshan) dated 21 April 2022, Q194 and 195.

³⁹⁸ NOI of Sun Linlin (Zhongguo) dated 12 December 2023, Q177 and Q178.

³⁹⁹ NOI of Huang Guanhua (Zhongguo) dated 12 July 2021, Q70.

⁴⁰⁰ Hanshan's Written Representations dated 21 February 2025, at paragraphs 15, 16 and 30.

⁴⁰¹ Zhongguo's Written Representations dated 11 February 2025, at paragraphs 35, 36, 39, 55 and 56.

different manner and cited different cases⁴⁰², both Parties essentially contend that the Information Exchange Conduct is not an infringement by object because the information exchanged was “publicly available”. For reasons elaborated above, CCCS rejects these representations. CCCS reiterates its findings at paragraphs 229 to 231 above.

233. In view of the above, CCCS finds that the information exchanged by the Parties was capable of reducing or removing uncertainty as to the timing, extent and details of the modifications to be adopted by the Parties in their conduct in the market.

(3) *CCCS’s conclusion on whether the agreement and/or concerted practice has the object of preventing, restricting or distorting competition within Singapore*

234. In view of the analysis set out above on the nature of the industry and the characteristic of information exchanged, CCCS finds that the Information Exchange Conduct had the object of preventing, restricting or distorting competition within Singapore:

- a. The Information Exchange Conduct as noted in paragraph 233 above was capable of reducing or removing uncertainty between the Parties as regards to the timing, extent and details of the modifications to be adopted by the Parties in their conduct on the remittance market in Singapore. Pursuant to *Lexon* and the cases cited therein (see paragraph 45 above), such an agreement and/or concerted practice would be regarded as having an object of preventing, restricting or distorting competition within Singapore.
- b. Specifically, on the evidence of the present case, CCCS finds that the Information Exchange Conduct had reduced or removed uncertainty between the Parties as regards to the timing, extent and details of the modifications to be adopted by the Parties in their conduct on the remittance market in Singapore:
 - i. The information exchanged by the Parties had significantly reduced or removed the degree of uncertainty between the Parties as to (i) the prevailing outward CNY remittance rates (to be applied into the future until the next update) that each Party was offering to customers at any point in time and (ii) the timing of the Parties’ next adjustment of rates and consequently the duration for which the prevailing rate would continue to apply.
 - ii. The Parties made frequent and systematic disclosures to each other pursuant to the Information Exchange Conduct over a period that spanned no less than six years (see paragraph 253 above). The duration of the Information Exchange Conduct significantly reduced or removed

⁴⁰² Hanshan’s Written Representations dated 21 February 2025, at paragraphs 6 to 10; and Zhongguo’s Written Representations dated 11 February 2025, at paragraphs 45 and 46.

the degree of uncertainty between the Parties as to the timing, extent and details of their adjustments to their respective outward CNY remittance rates to be offered to customers.

- c. CCCS also finds that the object of this agreement and/or concerted practice between the Parties was to reduce strategic uncertainty in the market through obtaining price information and price policy information directly from each other and such information was capable of influencing the respective Parties' future conduct on the market:
 - i. The information exchanged had influenced the Parties' market conduct as the price information and pricing policy information exchanged was taken into consideration by the Parties when deciding whether to adjust their rates (including using the other Party's rates as a reference point for setting their own rates).
 - ii. The information exchanged provided the Parties with more strategic certainty when choosing to match the other Party's rates, instead of competing more aggressively against each other to try to provide a higher rate (ie. better rate for customers) than the other Party to customers. This will be elaborated below at Section IX(C).
 - iii. Instead of independently adapting to the existing or anticipated conduct of their competitors and facing the uncertainties of competitors' conduct inherent in the process of competition, the Parties engaged in practical cooperation by exchanging information directly with each other to reduce the uncertainty of the timing, extent and details of the modifications to be adopted by their closest competitor in their conduct on the market. This removed elements of competition between the Parties and was not reflective of normal competitive conditions.

235. The Parties submitted that the Information Exchange Conduct did not have the object of preventing, restricting or distorting competition within Singapore.

- a. Both Parties submitted that the Information Exchange Conduct was not intended to restrict competition, but to avoid and resolve the persistent conflicts and disputes between them.⁴⁰³ In addition, Hanshan submitted that for the present case, a parallel can be drawn from the *Fresh Chicken Products Appeal*, where the CAB allowed the appellant's (Gold Chic/Hua Kun) appeal on liability in relation to the non-aggression pact as the CAB observed that some business

⁴⁰³ Zhongguo's Written Representations dated 11 February 2025, at paragraphs 31, 47, 50, 51 and 52; Hanshan Written Statement dated 21 February 2025 at paragraphs 31 to 34 and 46(c).

practices may not poach or steal clients of another because of personal, close or familial relationship, instead of any anti-competitive agreements.⁴⁰⁴

- b. Zhongguo submitted that it had maintained complete independence in setting its remittance rates based on a range of factors, including market demand, foreign exchange fluctuations and operational costs, and mere parallel conduct or similar pricing strategies between the Parties does not amount to an infringement.⁴⁰⁵
- c. Hanshan submitted that CCCS's decision in relation to the Information Exchange Conduct would have a wider public policy implication of discouraging the publication of rates (which CCCS understands to be after these rates have been determined and set, as opposed to publication of future pricing intentions) by remittance service providers and money changers operating in Singapore, for example via the use of display boards, as this may amount to an infringement of the section 34 prohibition.⁴⁰⁶

236. CCCS rejects the Parties' aforementioned representations for the reasons stated below:

- a. It is well established in case law that the fact that undertakings acted without having a subjective intention of preventing, restricting or distorting competition, or the fact that they pursued legitimate objectives, does not detract from finding a section 34 infringement (see paragraph 43 above). The Parties had previously resorted to physical altercations and verbal disputes in their competition against each other. The fact that the Parties purportedly engaged in the Information Exchange Conduct to resolve conflicts between themselves is irrelevant for the purposes of determining if an agreement and/or concerted practice has an anti-competitive object or effect. It also does not excuse the fact that the Parties had knowingly substituted the risks of competition with practical cooperation in order to reduce the intensity of competition between them.
- b. The parallel drawn by Hanshan to the *Fresh Chicken Products Appeal* is incorrect. In *Fresh Chicken Products Appeal*, CCCS found that the appellant (Gold Chic/Hua Kun) had entered into: (i) a non-aggression pact with other fresh chicken suppliers not to compete for each other's customers; and (ii) price discussions on the quantum and timing of price movements in relation to the sale and distribution of fresh chickens. The issue was whether a non-aggression pact between the appellant (Gold Chic/Hua Kun) and other undertakings not to

⁴⁰⁴ *Fresh Chicken Products Appeals*, at [128] to [130].

⁴⁰⁵ Zhongguo's Written Representations dated 11 February 2025, at paragraphs 16, 53 and 54. Zhongguo cited the decision of *Aalborg Portland and others v European Commission* (Joined Cases C-204/00 P, C-205/00 P, C-211/00 P, C-213/00 P, C-217/00 P and C-219/00 P) 7 January 2004, as well as the *Fresh Chicken Products Appeal*, but did not refer to any paragraphs in either decision.

⁴⁰⁶ Hanshan's Written Representations dated 21 February 2025, at paragraphs 35 to 39.

compete for each other's customers, had amounted to an agreement and/or concerted practice with the object or effect of distorting, restricting or preventing competition. Having considered the close historical relationship between the appellant and other undertakings, the CAB accepted the appellant's explanation that the appellant and other undertakings had refrained from poaching or stealing each other's customers out of "their personal, close or familial relationship" between the appellant and other undertakings. Such circumstances are not present themselves in this case. In fact, there is clear evidence that the Parties had an intensely competitive relationship which resulted in many altercations between them prior to the commencement of the Information Exchange Conduct.

- c. CCCS considers that the Information Exchange Conduct cannot be characterised as mere parallel conduct or similar pricing strategies. Contrary to Zhongguo's representations, both Parties admitted that they took into account the information exchanged when setting their own outward CNY remittance rates (see paragraphs 65, 112, 188, 189 and 241).
- d. Hanshan's representations that CCCS's decision to find the Information Exchange Conduct as an infringement of the section 34 prohibition may discourage the use of display boards in the remittance industry is disingenuous. Unlike the usage of display boards or websites to display existing price information where *all competitors and customers* alike would experience the same degree of transparency of price information, the Information Exchange Conduct between the Parties only served to increase the transparency of price information *between themselves* and reduce or remove the uncertainty of their closest competitor's conduct on the market. Furthermore, and in any event, payment service providers, including those offering cross-border money transfer services and/or money changing services, are required to prominently display the exchange rate being offered and any separate fee chargeable, such that a customer or potential customer would have notice of such information before using any of their services.⁴⁰⁷

237. After considering the evidence and the Parties' representations, CCCS finds that the agreement and/or concerted practice between the Parties in the form of the Information Exchange Conduct had the object of preventing, restricting or distorting competition within Singapore.

⁴⁰⁷ MAS Notice No.: PSN07 Notice to licensees, exempt payment service providers, persons exempt under section 100 from having in force a licence, operators of designated payment systems and settlement institutions of designated payment systems, Payment Services Act 2019 (Act 2 of 2019), at paragraph 16 (issue date: 5 December 2019; effective date: 4 October 2024).

C. Impact of the Information Exchange Conduct

238. As set out in the case law cited in Section III of Chapter 2 above, once it has been established that the object of an agreement and/or concerted practice was to prevent, restrict or distort competition within Singapore, CCCS does not have to carry out a full effects-based analysis to demonstrate the anti-competitive effects of that agreement and/or concerted practice (see paragraphs 38 to 40 above). Further, as held in *Lexon* (see paragraph 45 above),⁴⁰⁸ competition law is “*to protect not only the immediate interest of individual competitors or consumers but also to protect the structure of the market and thus competition as such*”. Therefore, in order to find that an agreement and/or concerted practice has an anti-competitive object, “*there does not need to be a direct link between that agreement and/or concerted practice and consumer prices*”.
239. Further, as noted at paragraph 45 above, *Lexon* (and the cases referred to therein) establishes a legal presumption that information exchange (where the information is capable of removing uncertainty between participants as regards the timing, extent and details of the modifications to be adopted by the undertakings concerned in their conduct on the market) will affect the conduct on the market of the parties to the exchange where they remain active suppliers following the exchange.⁴⁰⁹ In any event, it is not necessary for CCCS to rely on such a presumption as the evidence shows that the Parties had in fact taken into consideration the information exchanged between them in deciding on their respective rates, such that the Information Exchange Conduct clearly impacted the Parties’ behaviour on the market (see paragraphs 65, 112, 188, 189 and 241).
240. In this regard, CCCS sets out some observations from the evidence uncovered in the course of investigation that points towards the Information Exchange Conduct having an impact on the Parties’ behaviour; namely, that the information exchanged between the Parties had influenced the Parties’ conduct, with Zhongguo’s and Hanshan’s outward CNY remittance rates converging more closely than they would likely have in normal market conditions. This reduced the range of rates that the Parties could have offered to customers, which includes potentially even higher (ie. better for customer) rates that customers could have enjoyed in the absence of the Information Exchange Conduct.
241. From documentary evidence and evidence provided by various employees from Zhongguo and Hanshan during their interviews, CCCS finds that the Information Exchange Conduct enabled the Parties to match each other’s outward CNY remittance rates more quickly and more frequently than in normal market conditions, given that the Parties received real-time information close to when the other Party adjusted its outward CNY remittance rates pursuant to the Information Exchange Conduct, which they could then use as information to quickly adjust their own rates.

⁴⁰⁸ *Lexon (CAT)* at [187].

⁴⁰⁹ See also *Balmoral Tanks (CAT)* at [119].

- a. Hanshan acknowledged that it was common for each Party to match the outward CNY remittance rate of the other Party after receiving the other Party's rate via the Information Exchange Conduct (ie. to offer the same rate) even when such decisions to match were taken independently.⁴¹⁰
- b. In a series of messages dated 18 January 2020 in WAC 2, Zhong Wanshan (Zhongguo) and the ZG Counter Team noted that customers had provided feedback that Zhongguo's and Hanshan's rates were frequently the same such that customers would only make enquiries with one Party instead of both Parties. Zhong Wanshan (Zhongguo) acknowledged that it was likely true that Zhongguo's and Hanshan's outward CNY remittance rates were often the same.⁴¹¹ Sun Linlin (Zhongguo) stated that most of the time, Zhongguo's outward CNY remittance rate would be the same as Hanshan's outward CNY remittance rate because so long as the rate was below Zhongguo's cost, Zhongguo would usually adjust to the same rate as Hanshan's.⁴¹²
- c. Wang Meiqin (Zhongguo) stated that the ZG Counter Team would immediately follow Hanshan's outward CNY remittance rates based on the information received from Hanshan (ie. offer the same rate as Hanshan). After doing so, the ZG Counter Team would inform their colleagues about the information received from Hanshan via WAC 2 and ask the ZG Purchasing Department if the ZG Counter Team should continue to follow Hanshan's rate. The ZG Purchasing Department may disagree with following Hanshan's rate after considering Zhongguo's cost of purchasing the CNY currency.⁴¹³ This is corroborated by contemporaneous messages in WAC 2 which show at least 12 instances between July 2019 and April 2021 where the ZG Counter Team had immediately adjusted Zhongguo's outward CNY remittance rates offered for Counter Remittance to follow Hanshan's outward CNY remittance rates after receiving the information from Hanshan and before obtaining approval from the ZG Purchasing Department.⁴¹⁴ Zhong Wanshan (Zhongguo) explained that so long as the adjusted rate was above Zhongguo's cost of purchasing the CNY currency, the ZG Purchasing Department would agree with the ZG Counter Team's decision.⁴¹⁵
- d. In WAC 2, there were contemporaneous messages showing instances between October 2020 and April 2021 where there was mention of Zhongguo requesting Hanshan to follow its outward CNY remittance rates after the former decided

⁴¹⁰ Hanshan's Voluntary Submissions dated 1 August 2022, at paragraph 48.

⁴¹¹ NOI of Zhong Wanshan (Zhongguo) dated 21 November 2023, Q147 to 149.

⁴¹² NOI of Sun Linlin (Zhongguo) dated 12 December 2023, Q135 to 142.

⁴¹³ NOI of Wang Meiqin (Zhongguo) dated 14 March 2022, Q101; NOI of Wang Meiqin (Zhongguo) dated 9 November 2023, Q57.

⁴¹⁴ NOI of Zhong Wanshan (Zhongguo) dated 21 November 2023, Q125 to 146; NOI of Sun Linlin (Zhongguo) dated 12 December 2023, Q129 to 133.

⁴¹⁵ NOI of Zhong Wanshan (Zhongguo) dated 21 November 2023, Q120, 121 and 127.

to adjust its own rates.⁴¹⁶ When asked about these messages, Zhong Wanshan (Zhongguo)⁴¹⁷ and Sun Linlin (Zhongguo)⁴¹⁸ admitted that there were instances where Zhongguo had requested Hanshan to follow its outward remittance rates and Hanshan had, on occasion, agreed to Zhongguo's requests.

- e. In WAC 2, there were contemporaneous messages showing instances between August 2018 and June 2020 where there was mention of Hanshan requesting Zhongguo to follow its outward CNY remittance rates when it informed Zhongguo of its rates.⁴¹⁹ There were also instances showing that Zhongguo had followed Hanshan's outward remittance rates to be lower than what Zhongguo was prepared to offer to customers.⁴²⁰ This would have resulted in customers being worse off than if the Parties had chosen to compete more aggressively against each other to offer higher rates than the other Party instead of just matching its rates.
- f. There was also evidence to suggest that Zhongguo might have chosen to match Hanshan's outward remittance rates upon receiving the information from Hanshan, instead of offering a higher rate (ie. a better rate for customers) to win customers from Hanshan, in order to avoid fierce competition between the two undertakings. In this regard, Sun Linlin (Zhongguo) stated that:⁴²¹

Q137. Based on these messages, it appears that many customers are used to, and think that Zhongguo's and Hanshan's outward remittance rates for RMB are the same, and that they end up only making enquiries with one company. Are there reasons as to why customers may have this perception?

A: Both remittance providers' outward remittance rates for RMB are often the same. So when customers tried to ask both service providers' rates a few times and found that they were the same, they won't bother to ask both anymore.

⁴¹⁶ NOI of Zhong Wanshan (Zhongguo) dated 9 November 2023, Q126 to 219; NOI of Sun Linlin (Zhongguo) dated 16 November 2023, Q115 to 188.

⁴¹⁷ NOI of Zhong Wanshan (Zhongguo) dated 9 November 2023, Q145, 147, 148, 157, 158, 160, 161, 162, 166, 190, 193, 202, 204 and 212.

⁴¹⁸ NOI of Sun Linlin (Zhongguo) dated 15 November 2023, Q156 to 165.

⁴¹⁹ NOI of Zhong Wanshan (Zhongguo) dated 10 November 2023, Q2 to 43, 59 to 73; NOI of Sun Linlin (Zhongguo) dated 15 November 2023, Q88 to 175; NOI of Sun Linlin (Zhongguo) dated 16 November 2023, Q12 to 107.

⁴²⁰ NOI of Sun Linlin (Zhongguo) dated 16 November 2023, Q66 and 67; NOI of Sun Linlin (Zhongguo) dated 11 December 2023, Q130 to Q133; and NOI of Sun Linlin (Zhongguo) dated 12 December 2023, Q116 and 117.

⁴²¹ NOI of Sun Linlin (Zhongguo) dated 12 December 2023, Q137 to 146.

Q138. Under what circumstances would Zhongguo's outward remittance rate of RMB be the same as Hanshan's outward remittance rate of RMB?

A: Most of the time they would be the same. When Zhongguo's cost was able to cover, then we would usually adjust to the same rate as Hanshan's.

...

Q140. Any reason why this was the case?

A: Whenever they notify us, if we can afford it, we will do the same rate. Anyway, we are so close to each other. If we can manage to maintain the same remittance rates, we will try to maintain it. No point in trying to lower our rates just to make Hanshan's rates look high, and customers will flow to their side.

Q141. Why would Zhongguo think in this manner?

A: Because customers will compare and flow to the remittance provider with the higher remittance rates.

Q142. Wouldn't it benefit Zhongguo if Zhongguo were to increase their rates to make Hanshan's rate look lower?

A: If that was the case, Hanshan would also adjust their rates to match Zhongguo's rates.

...

Q146. How does Zhongguo and Hanshan benefit from having the same outward remittance rate of RMB as each other?

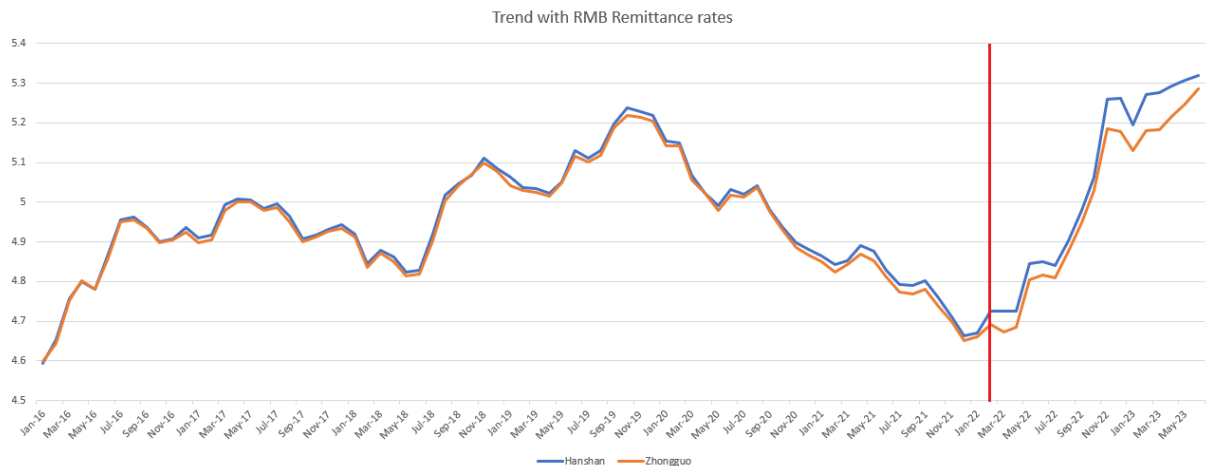
A: There won't be any physical conflict, touting of customers, sending people to look at each others' rates, or scolding customers.

242. In addition, based on the data provided by Zhongguo and Hanshan, the average monthly outward CNY remittance rates offered by the Parties appeared to diverge from each other to a greater extent after the Information Exchange Conduct had ceased on 22 February 2022 as compared to during the Information Exchange Conduct, as seen in Figure 4 below.⁴²² This similarity in remittance rates between the Parties during the period of the

⁴²² Figure 4 plots out the average monthly outward CNY remittance rates as provided by Hanshan and Zhongguo for the period from January 2016 to June 2023. Average monthly outward CNY remittance rates on the left of the red vertical line refers to the average rates that were set by the Parties during the period of the Information Exchange Conduct (before 22 February 2022) and average monthly outward CNY remittance rates on the right of the red vertical line refers to the averages rates that were set by the Parties after the period of the Information Exchange Conduct (after 22 February 2022).

agreement and/or concerted practice suggests a potential lack of competitive pricing, which may have limited customers' access to a broader range of possible rates during the period of the Information Exchange Conduct.⁴²³

Figure 4



243. In their respective written representations, the Parties submitted that the evidence does not demonstrate that the exchange of information between them had an effect of preventing, restricting or distorting competition in the market.⁴²⁴ In particular, Hanshan submitted that the evidence relied on by CCCS does not show that the Parties' exchange of information had any actual effect on the market, and that Figure 4 above is of limited probative value in this regard.⁴²⁵ Hanshan also disagreed with CCCS's estimation of the Parties' combined market shares where CCCS estimated the combined market shares of Hanshan and Zhongguo for outward CNY remittance in Singapore in 2021 to have exceeded 60% (see paragraph 273 below).⁴²⁶ Zhongguo similarly submitted that the Parties' exchange of information did not lead to "any significant distortion of competition in the market", and that Figure 4 above is not conclusive in this regard.⁴²⁷ Zhongguo highlighted that each business maintained independence and remained free to adjust its rates based on internal considerations, remittance companies track exchange rates from multiple sources, including competitors, to offer attractive and sustainable rates, natural fluctuations in exchange rates mean that any short-term alignment in pricing is incidental

⁴²³ CCCS notes that Figure 4 only provides an approximation of the Parties' average monthly outward CNY remittance rates given certain limitations in the data provided by the Parties, where Hanshan's remittance rates were published rates that did not contain tiered rates while Zhongguo's remittance rates were transaction rates that contained tiered rates. However, this difference in the data provided by the Parties applied to both the period during and after the Information Exchange Conduct. The average absolute difference between the Parties' rates increased after the Information Exchange Conduct allegedly ceased, compared to during the Information Exchange Conduct period. This result is statistically significant at the 1% significance level.

⁴²⁴ Hanshan's Written Representations dated 21 February 2025, at paragraphs 27 to 29 and 41; and Zhongguo's Written Representations dated 11 February 2025, at paragraphs 32 to 34, 52, 54, 57 to 61, 63, 76 and 77.

⁴²⁵ Hanshan's Written Representations dated 21 February 2025, at paragraph 28.

⁴²⁶ Hanshan's Written Representations dated 21 February 2025, at paragraph 29.

⁴²⁷ Zhongguo's Written Representations dated 11 February 2025 at paragraphs 32 to 33.

rather than a result of deliberate collusion, and that consumers are well-equipped to compare rates in today's digital age such that the alleged conduct had no material impact on competitive dynamics as the market was already functioning in a way that ensured price transparency.⁴²⁸

244. However, as noted at paragraph 238 above, it is not necessary for CCCS to carry out a full effects-based analysis to demonstrate anti-competitive effects of an agreement and/or concerted practice once it has been established that the object of an agreement and/or concerted practice was to prevent, restrict or distort competition within Singapore, and CCCS has not sought to do so in the present case. Instead, the paragraphs above set out CCCS's observations from the evidence, which demonstrates that the Information Exchange Conduct had an impact on the Parties' behaviour on the market and that the Parties' outward CNY remittance rates appeared to diverge from each other to a greater extent after the Information Exchange Conduct had ceased on 22 February 2022, as compared to during the Information Exchange Conduct (this result is statistically significant).
245. Separately, Zhongguo submitted in its written representations that there were "pro-competitive justifications" for the Information Exchange Conduct.⁴²⁹ Zhongguo further submitted that the exchange of remittance rate information it engaged in was for legitimate purposes that promoted market efficiency.⁴³⁰ However, Zhongguo did not provide adequate explanation or substantiation as to how the Information Exchange Conduct was pro-competitive, and if so, how such pro-competitive effects justified its conduct. Zhongguo also did not explain or provide evidence to demonstrate how the exchange of remittance rate information assisted any of its alleged business purposes or promoted efficiencies.
246. For completeness, CCCS notes that Zhongguo had erroneously sought to rely on *Allianz Hungária*,⁴³¹ for the proposition that the assessment of whether an agreement is anti-competitive must consider its objectives, economic context and potential efficiency gains, as part of its representations on pro-competitive justifications.⁴³² While the ECJ had noted that consideration must be given to content of the agreement's provisions, its objectives and the economic and legal context of which it forms a part, the ECJ did not make any reference to potential efficiency gains in its decision in *Allianz Hungária*.⁴³³

⁴²⁸ Zhongguo's Written Representations dated 11 February 2025 at paragraphs 52, 54, 63, 69 to 72, 76 and 77.

⁴²⁹ Zhongguo's Written Representations dated 11 February 2025 at paragraphs 62 to 68.

⁴³⁰ Zhongguo's Written Representations dated 11 February 2025 at paragraph 67.

⁴³¹ Case C-32/11 *Allianz Hungária Biztosító and Others* EU:C:2013:160 ("*Allianz Hungária*").

⁴³² Zhongguo's Written Representations dated 11 February 2025 at paragraph 64. CCCS notes that Zhongguo did not refer to any specific paragraph in *Allianz Hungária* in footnote 43 of its representations. Zhongguo also submitted (Zhongguo's Written Representations dated 11 February 2025 at paragraph 66) that the General Court in *FSL Holdings* acknowledged that pro-competitive justifications must be considered when evaluating alleged infringements involving information exchange. Again, CCCS notes that Zhongguo's reliance on *FSL Holdings* is erroneous as the General Court made no such statement or acknowledgment in *FSL Holdings*.

⁴³³ See *Allianz Hungária* at [33] to [38].

D. Participation in a single continuous agreement

247. As set out in the case law cited in Section V of Chapter 2 above, for different acts to constitute a single continuous agreement, it must be shown that:

- a. the agreements or concerted practices that made up the single continuous agreement were all in pursuit of the same common objective(s);
- b. each party to the single continuous agreement intended to contribute by its own conduct to the common objectives of the single continuous agreement; and
- c. each party was aware of or could reasonably have foreseen actual conduct planned or put into effect by other parties in pursuit of the common objective(s).

248. CCCS is of the view that these requirements have been met in relation to the Information Exchange Conduct. It is reasonably clear on the evidence that the Information Exchange Conduct between Parties was in pursuit of the same common objective, namely to obtain information on each other's outward CNY remittance rate, which was a key competition parameter, for the purpose of reducing strategic uncertainty in the market. Each of the Parties contributed to the common objective in the same way by informing each other of their respective adjustments to their outward CNY remittance rates each time they adjusted their respective rates, through a pattern of regular and direct communication for the entire period in which the Information Exchange Conduct took place. In doing so, the Parties knowingly substituted the risks of competition with practical competition. Given the nature of the Parties' exchanges, it is clear that each of the Parties was aware of the other's contribution to the common objective. The evidence also indicates that the same conduct was continuous over the entire period it was in place.

249. For the reasons outlined above, CCCS concludes that the Information Exchange Conduct amounted to a single continuous agreement for the entire period in which the Information Exchange Conduct took place, being from at least 1 January 2016 to 22 February 2022.

E. Conclusion on analysis of evidence & findings on Information Exchange Conduct

250. For the reasons elaborated upon above, CCCS concludes that by way of the Information Exchange Conduct, Zhongguo and Hanshan had engaged in an agreement and/or concerted practice that had the object of preventing, restricting or distorting competition within Singapore.

CHAPTER 3: INFRINGEMENT DECISION

I. CCCS's Infringement Decision

251. CCCS is satisfied from the evidence and analysis set out in Section IXX of Chapter 2 that the Information Exchange Conduct amounts to an agreement and/or concerted practice between the Parties, which had the object of restricting, preventing or distorting competition in the market for provision of outward remittance services of CNY in Singapore. Given CCCS's findings that the Information Exchange Conduct is an infringement by "object", CCCS need not go further to demonstrate its anti-competitive effects (see paragraphs 38 to 40 above). According, CCCS finds that the Information Exchange Conduct has infringed the section 34 prohibition.

II. Duration of the infringement

252. The duration of an infringement is of importance insofar as it may have an impact on the penalty that may be imposed for that infringement.⁴³⁴ The duration of an infringement is assessed on the facts of each case.

253. While the Parties' evidence (at paragraph 148 above) indicates that the Information Exchange Conduct had commenced sometime in 2015, neither Party was able to assist CCCS in determining a specific date when the Information Exchange Conduct had commenced. Given this and based on the evidence available, CCCS considers that the Information Exchange Conduct would have been in place by 1 January 2016 and has thus taken 1 January 2016 as the starting date of the infringement. The available evidence also suggests that the Parties stopped exchanging information about their outward CNY remittance rates after 22 February 2022, when CCCS's investigation was ongoing. In addition, CCCS finds at paragraphs 248 and 249 that the Information Exchange Conduct amounted to a single continuous agreement. CCCS thus finds that the duration of the Information Exchange Conduct lasted from 1 January 2016 to 22 February 2022.

CHAPTER 4: CCCS'S ACTION

I. Financial penalties – general points

254. Where CCCS has made a decision that an agreement and/or concerted practice has infringed the section 34 prohibition, CCCS may impose on a party to that infringing agreement and/or concerted practice a financial penalty not exceeding 10% of the turnover of the business of that party in Singapore for each year of infringement, up to a maximum of three years.⁴³⁵

⁴³⁴ CCCS *Penalty Guidelines*, paragraphs 2.1, 2.9 to 2.12.

⁴³⁵ S 69(2)(e) read with s 69(4) of the Act.

255. CCCS may impose a financial penalty only if it is satisfied that the infringement has been committed intentionally or negligently.
256. As established in *Pest Control*⁴³⁶, *Express Bus Operators*⁴³⁷ and *Electrical Works*⁴³⁸, the circumstances in which CCCS might find that an infringement has been committed intentionally include the following:
- a. The agreement has as its object the restriction of competition;
 - b. The undertaking in question is aware that its action will be, or is reasonably likely to be, restrictive of competition but still wants, or is prepared, to carry them out; or
 - c. The undertaking could not have been unaware that its agreement or conduct would have the effect of restricting competition, even if it did not know that it would infringe the section 34 prohibition.
257. The CAB in *Express Bus Operators Appeals Nos. 1 and 2*, had also established that the threshold conditions under s 69(3) of the Act would be satisfied if the undertaking must have been aware, or could not have been unaware, that the agreements had the object or would have the effect of restricting competition.⁴³⁹
258. Ignorance or a mistake of law is no bar to a finding of intentional infringement under the Act. CCCS is likely to find that an infringement of the section 34 prohibition has been committed negligently where an undertaking ought to have known that its agreement or conduct would result in a restriction or distortion of competition.⁴⁴⁰
259. CCCS finds that the Information Exchange Conduct had as its object the prevention, restriction or distortion of competition. CCCS also finds that the Parties were aware or ought to have known that the Information Exchange Conduct would have restricted competition but had nonetheless carried out the Information Exchange Conduct. This is premised on several factors:
- a. As outlined above, remittance rate is a key factor of competition between the Parties. The Information Exchange Conduct enabled the Parties to obtain information on each other's outward CNY remittance rates that was capable of influencing their respective future conduct on the market, which was not readily accessible in the market, directly from each other and in a manner more simply,

⁴³⁶ *Pest Control*, at [355].

⁴³⁷ *Express Bus Operators*, at [445].

⁴³⁸ *Electrical Works*, at [282].

⁴³⁹ *Express Bus Operators Appeals Nos. 1 and 2*, at [143].

⁴⁴⁰ *CCCS Guidelines on Directions and Remedies*, at paragraphs 6.7 to 6.10.

rapidly and directly than they would from participating in the market, reducing any strategic uncertainties that were inherent in a competitive process.

Thus, instead of independently adapting to the existing or anticipated conduct of their competitors and facing the uncertainties of competitors' conduct inherent in the process of competition, the Parties had entered into an arrangement that reduced the uncertainties of competitive responses between them and altered the normal conditions of competition between them, which the Parties cannot be unaware would restrict competition. The Information Exchange Conduct had also enabled the Parties to, on certain occasions, request each other to follow their respective remittance rates. As established above, the Information Exchange Conduct amounted to an object infringement.

- b. CCCS had sent notices under s 63 of the Act to Huang Guanhua (Zhongguo) and Thng Koon Eng (Hanshan), CEO and director of Hanshan, on 25 June 2021, and conducted interviews with both Huang Guanhua (Zhongguo) and Thng Koon Eng (Hanshan) on 12 July 2021. Despite knowing that CCCS had commenced investigation based on an exchange of information in the provision of remittance services,⁴⁴¹ the Parties persisted with the Information Exchange Conduct on a more covert basis, by switching methods of communication from passing of paper slips to phone calls.⁴⁴²

260. CCCS is therefore satisfied that each of the Parties intentionally or negligently infringed the section 34 prohibition. CCCS imposes a penalty on the Parties as set out in the following section.

II. Calculation of Penalties

261. The *CCCS Penalty Guidelines* provide that the objectives of imposing financial penalties are to reflect the seriousness of the infringement, and to deter the infringing undertakings and other undertakings from engaging in anti-competitive conduct.⁴⁴³

262. The *CCCS Penalty Guidelines* provide that the financial penalty to be imposed by CCCS under s 69 of the Act will be calculated following a six-step approach⁴⁴⁴:

- a. Step 1: calculation of the base penalty having regard to the seriousness of the

⁴⁴¹ CCCS's s 63 notice to Huang Guanhua (Zhongguo) dated 25 June 2021. CCCS's s 63 notice to Thng Koon Eng (Hanshan) dated 25 June 2021.

⁴⁴² Sun Linlin (Zhongguo) provided evidence that sometime in the later half of 2021, Jia Ying (Zhongguo), General Manager of Zhongguo, instructed the ZG Counter Team that it was better not to walk over to Hanshan's counters and to switch the method of communication to phone calls instead (at paragraph 161 of this ID). NOI of Sun Linlin (Zhongguo) dated 15 November 2023, Q72 and 81.

⁴⁴³ *CCCS Penalty Guidelines*, at paragraph 1.7.

⁴⁴⁴ *CCCS Penalty Guidelines*, at paragraph 2.1.

infringement (expressed as a percentage rate) and the party's turnover of the business in Singapore for the relevant product and relevant geographic markets affected by the infringement (ie., relevant turnover) in the party's financial year preceding the date when the infringement ended⁴⁴⁵;

- b. Step 2: the duration of the infringement;
- c. Step 3: any aggravating and mitigating factors;
- d. Step 4: other relevant factors such as deterrent value;
- e. Step 5: statutory maximum penalty as provided for under s 69(4) of the Act; and
- f. Step 6: immunity, leniency reductions and/or fast-track procedure discounts.

263. CCCS has assessed Zhongguo's and Hanshan's representations on the issue of financial penalty with reference to the above six-step approach.

A. *Step 1: Calculation of the base penalty*

264. The seriousness of the infringement and the relevant turnover of each Party would be taken into account by setting the starting point for calculating the base penalty amount as a percentage rate of each Party's relevant turnover in each infringement.

(1) *Relevant turnover*

265. An undertaking's relevant turnover is the turnover of the business of the undertaking in Singapore for the relevant product and geographic markets affected by the infringement in the undertaking's last business year.⁴⁴⁶ The "last business year" is the financial year preceding the date when the infringement ended.⁴⁴⁷

266. Applying the relevant market definition above, relevant turnover in this case would therefore be the turnover of each Party from the provision of outward CNY remittance in Singapore in the financial year preceding the year the infringement ended. The Parties receive monies from the provision of outward CNY remittance in Singapore through: (1) the monies that customers pay over to the Parties based on the remittance rates they are offered, and (2) commission/service fees for the transaction. As a large part of the monies that customers pay over based on the remittance rates they are offered need to be sent to the recipients of the remittances, the remittance industry could be considered a "high turnover, low margin" industry. Hence, CCCS considers that the appropriate portion of

⁴⁴⁵ *Competition (Financial Penalties) Order 2007*, at paragraph 3 and *CCCS Penalty Guidelines*, at paragraph 2.5.

⁴⁴⁶ *CCCS Penalty Guidelines*, at paragraph 2.5.

⁴⁴⁷ *Competition (Financial Penalties) Order 2007*, at paragraph 3 and *CCCS Penalty Guidelines*, at paragraph 2.5.

these monies to be included in the relevant turnover would be the monies collected from customers of outward remittance, less the acquisition costs of CNY, ie. the margin attributable to the difference between the remittance amount charged to customers and the exchange cost of acquiring the necessary CNY to service the remittance transaction (ie. net gain from outward CNY remittance services).⁴⁴⁸ The total relevant turnover in this case would therefore be the net gain from outward CNY remittance services and the commission/service fees from outward CNY remittance services.

267. Pursuant to the Information Exchange Conduct, the Parties exchanged information on (1) the Parties' published rates made available on their respective publication platforms; and (2) the Parties' transaction rates that were applicable to ZG Counter Remittance and HS Counter Remittance. CCCS notes that the outward remittance rates applied for counter remittance were also applied to all other transaction channels for both Parties. For Zhongguo, as set out in paragraph 80 above, the outward CNY remittance rates applied for ZG Counter Remittance was also applied to ZG Email Remittance,⁴⁴⁹ and typically applied to ZG Web Remittance and ZG App Remittance (with the exception of promotion deals specifically organised for ZG Web Remittance and ZG App Remittance or certain technical limitations when ZG Web Remittance and ZG App Remittance first started). For Hanshan, as set out in paragraphs 120 and 121 above, the outward CNY remittance rates for HS Counter Remittance were the same as that applied to HS Email Remittance and HS App Remittance.⁴⁵⁰ As such, CCCS finds that the relevant turnover in this case would be the turnover of all transaction channels of the Parties rather than being limited to the turnover of counter transactions alone.

268. In its representations, Zhongguo submitted that:

- a. CCCS's calculation of the base penalty relies heavily on an undertaking's total turnover. A more accurate measure would be net revenue or gross profit:⁴⁵¹
 - i. In the remittance industry, a significant portion of the turnover of remittance service providers, including Zhongguo, comprises pass-through funds. These do not constitute revenue and should not form the basis for CCCS's penalty calculation.⁴⁵²

⁴⁴⁸ CCCS notes that a similar definition of net gain from remittance services was adopted by the UK Financial Conduct Authority ("UK FCA") in *Anti-competitive conduct in the UK international money remittance sector* (Case CA98.2020.01) (30 November 2023), at paragraph 6.18(a). In this decision, the UK FCA found that three international remittance service providers had coordinated on the level of retail exchange rate and transaction fees charged to in-store customers for making UK to Pakistan remittances.

⁴⁴⁹ Zhongguo's Response dated 18 August 2023 to CCCS's s 63 Notice dated 31 July 2023, Q7.

⁴⁵⁰ NOI of Wang ChunYan (Hanshan) dated 8 January 2024, Q84 and 85; NOI of Zhang Lei (Hanshan) dated 8 January 2024, Q104 and 110; NOI of Chua Poh Eng (Hanshan) dated 8 January 2024, Q79 and 80.

⁴⁵¹ Zhongguo's Written Representations dated 11 February 2025, at paragraphs 79 and 80.

⁴⁵² Zhongguo's Written Representations dated 11 February 2025, at paragraphs 79, 81 and 82.

ii. CCCS failed to consider fixed and variable costs, and these costs should be deducted from the revenue to arrive at an accurate profit figure. Remittance service providers incur high fixed costs, including compliance expenses, regulatory licensing fees, technological infrastructure, security protocols and staffing. In addition, Zhongguo is subject to fluctuating foreign exchange rates, transaction fees from financial institutions and liquidity constraints, all of which erode profitability.⁴⁵³

b. The relevant turnover should not include outward CNY remittance transactions that were not influenced by the Information Exchange Conduct, but were conducted independently of any information exchange with Hanshan.⁴⁵⁴

269. CCCS has considered Zhongguo's aforementioned representations and rejects the same, for reasons detailed below:

a. Contrary to Zhongguo's assertions, CCCS has not relied on the Parties' total turnover to calculate the base penalty. As set out in paragraph 266 above, CCCS also considered the fact that a large part of the monies that customers pay over to the Parties need to be sent to the recipients of the remittances. CCCS accordingly determines that the appropriate figure to be used as the Parties' relevant turnover in Step 1 for the purposes of calculating the base penalty consists of the (i) net gain from outward CNY remittance services and (ii) the commission/service fees from outward CNY remittance services.

b. Business costs, such as fixed and variable costs, should not be considered in the determination of relevant turnover as it would lead to the perverse result of penalising the more efficient undertakings that have lower overheads, as held by the CAB in *IPP Financial Advisers Pte Ltd v CCS* ("**IPP Financial Advisers**").⁴⁵⁵

c. CCCS has consistently adopted the same approach of computing relevant turnover based on all of the undertaking's turnover in the relevant product and geographic markets affected by the infringement, most recently in *Interior Fit-Out*.⁴⁵⁶ This is the same approach endorsed by the CAB in *IPP Financial Advisers* and *Transtar Travel & Anor v. CCS*,⁴⁵⁷ as well as EU and UK case law.⁴⁵⁸ In any event, the Parties do not dispute the finding of fact in paragraphs

⁴⁵³ Zhongguo's Written Representations dated 11 February 2025, at paragraphs 85 and 88.

⁴⁵⁴ Zhongguo's Written Representations dated 11 February 2025, at paragraph 87.

⁴⁵⁵ *IPP Financial Advisers Pte Ltd v CCS* [2017] SGCAB 1 ("**IPP Financial Advisers**"), at [70].

⁴⁵⁶ Re infringement of the section 34 prohibition in relation to anti-competitive agreements and/or concerted practices involving bid-rigging in connection with the supply of interior fit-out construction services for non-residential properties in Singapore, CCCS 500/100/2021/001 ("**Interior Fit-out**"), at [285] to [287].

⁴⁵⁷ *IPP Financial Advisers*, at [30] to [42]; *Transtar Travel & Anor v. CCS*, Appeal No. 3 of 2009.

⁴⁵⁸ *Interior Fit-Out*, at [285] to [287].

187, 199 and 267 above that the Information Exchange Conduct covers all published rates and transaction rates of outward CNY remittance rates of the Parties which affected all outward CNY remittance transactions by the Parties across all transaction channels. Apart from being inconsistent with established case law, it is made out on evidence that Zhongguo had in fact taken into account the information received from Hanshan, as set out in paragraph 188 and 241 above.

270. In its representations, Hanshan submitted the following:

- a. Only a portion of Hanshan's net gain from outward CNY remittance services should be used to calculate Hanshan's relevant turnover because a part of the net gain from outward CNY remittance services is derived from Hanshan's expertise in monitoring rate trends and exercising professional judgement to time the purchase of CNY, and Hanshan's ability to source from the best channels to purchase CNY ("**Hanshan's Forex Expertise**").⁴⁵⁹
- b. Commission/service fees charged by Hanshan to customers of its outward remittance CNY service should not be used to calculate Hanshan's relevant turnover as the Information Exchange Conduct did not involve commission/service fees for outward CNY remittances.⁴⁶⁰

271. CCCS has considered Hanshan's aforementioned representations and rejects the same, for reasons detailed below:

- a. In relation to Hanshan's Forex Expertise, CCCS notes in section II(D) of Chapter 1 that remittance service providers in Singapore typically (i) purchase the relevant currency in bulk in advance (also known as "prefunding") or (ii) apply a mark-up to prevailing rates charged by partner remitting agents at the time of the remittance request as part of their business model. Hanshan's Forex Expertise in timing when to prefund CNY is therefore a usual course of business and is intricately linked to its CNY remittance services. This can be seen from Hanshan's practice of having the HS Counter Team check with the relevant managers in Hanshan when they requested to amend the outward CNY remittance rate offered to customers⁴⁶¹, which suggests that [3<]. This is in contrast with the scenario where Hanshan is deriving turnover from its activities in the foreign exchange market that is unrelated to the outward CNY remittance services it provides. Hence, such net gains should rightly be considered as part of the relevant turnover as it is an inseparable part of Hanshan's provision of

⁴⁵⁹ Hanshan's Written Representations dated 21 February 2025, at paragraphs 50 and 51

⁴⁶⁰ Hanshan's Written Representations dated 21 February 2025, at paragraph 52.

⁴⁶¹ NOI of Thng Bee Keow (Hanshan) dated 21 April 2022, Q88 to 91; NOI of Thng Choo Hiang (Hanshan) dated 21 April 2022, Q76 to 81.

outward CNY remittance services. In any event, CCCS notes that notwithstanding Hanshan's representations, Hanshan did not provide or substantiate the relevant amount or portion that ought to be considered to be derived from Hanshan's Forex Expertise for exclusion from Hanshan's relevant turnover.

- b. Regarding the exclusion of commission/service fees charged to customers from Hanshan's relevant turnover, CCCS considers that Hanshan has misunderstood how relevant turnover ought to be calculated. The *CCCS Penalty Guidelines* provides that "*The relevant turnover shall be limited to the amounts derived by the undertaking from the sale of relevant products and provision of relevant services falling within the undertaking's ordinary activities in Singapore...*".⁴⁶² Given that the Information Exchange Conduct relates to the provision of outward CNY remittance services, the relevant turnover ought to be the amounts derived by Hanshan from the provision of such outward CNY remittance services. Consequently, since Hanshan charges a commission/service fees to its customers as an integral part of its price for completing outward CNY remittance transactions through Hanshan, commission/service fees are rightly included in the relevant turnover.

(2) *Seriousness*

- 272. As set out in paragraph 2.3 of the *CCCS Penalty Guidelines*, CCCS will consider the seriousness of the infringement and set a percentage starting point for calculating the base penalty. The more serious and widespread the infringement, the higher the starting percentage point is likely to be. In assessing the seriousness of the infringement, CCCS will consider a number of factors, including the nature of the product, the structure and condition of the market, the market share(s) of the undertaking(s) involved in the infringement, entry conditions and the effect on competitors and third parties. The impact and effect of the infringement on the market, direct or indirect, will also be an important consideration. The seriousness of the infringement also depends on the nature of the infringement, and this has been taken into consideration when fixing the starting point of the relevant turnover of the Parties in the calculation of financial penalties. The assessment will be made on a case-by-case basis for all types of infringements, taking into account all of the circumstances of the case.⁴⁶³
- 273. Nature of the products and structure of the market – The relevant market in this case is the provision of outward CNY remittance in Singapore. In relation to this market, CCCS notes that there are other players besides the Parties providing outward CNY remittance in Singapore to customers.⁴⁶⁴ However, the evidence shows that Hanshan and Zhongguo

⁴⁶² *CCCS Penalty Guidelines*, at paragraph 2.6.

⁴⁶³ *CCCS Penalty Guidelines*, at paragraph 2.4.

⁴⁶⁴ Hanshan's Voluntary Submissions dated 1 August 2022, at paragraph 17.

compete closely with each other on the market, with their remittance counters located next to each other in the same building.⁴⁶⁵ Additionally, the estimated combined market shares of Hanshan and Zhongguo for outward CNY remittance in Singapore in 2021 exceeded 60% and is not considered small.⁴⁶⁶ Furthermore, Hanshan and Zhongguo respectively carried out more than [X] and [X] outward CNY remittance transactions per year, on average, from 2016 to 2022.⁴⁶⁷

274. Hanshan submitted that CCCS has likely overestimated the Parties' combined market shares as the Statista Report relied on by CCCS is unlikely to have taken into account the amount of remittance handled by all alleged types of competitors for outward CNY remittance services (ie. retail remittance service providers, multinational money remittance services providers, FinTech remittance service providers, banks, casinos, and cryptocurrency platforms).⁴⁶⁸ On a similar note, Zhongguo submitted that the remittance industry is not structured to facilitate anti-competitive behaviour given the high number of market players.⁴⁶⁹
275. However, CCCS notes that neither Party provided an alternative methodology to calculate the combined market shares of the Parties.⁴⁷⁰ Based on available information, CCCS considers the Statista Report to provide an objective reference point to assess the Parties' combined market share. While the Statista Report does not provide information on the types of businesses that were considered during the compilation of the statistics, the sources cited for the total value of remittances sent from Singapore to other countries worldwide in 2021 include KNOMAD, World Bank and Pew Research Center.
276. Effect on customers, competitors and third parties – CCCS considers that the agreement and/or concerted practice allowed the Parties to substitute the risks of competition in favour of practical cooperation by the disclosure of information between them that was capable of influencing, and in fact had an influence on, the Parties' determination of their respective outward CNY remittance rates offered to customers. While it is difficult to

⁴⁶⁵ NOI of Zhong Wanshan (Zhongguo) dated 9 November 2023, Q198; NOI of Wu Wenxi (Zhongguo) dated 7 December 2023, Q248 and 256.

⁴⁶⁶ Estimated based on the amount of remittance sent to China from Singapore in the Statista Report. Emails from NSC & Associates Pac to CCCS dated 8 and 15 August 2024; Zhongguo's response dated 24 September 2024 to CCCS's email dated 20 September 2024, Q4; Hanshan's response dated 6 November 2024 to CCCS's email dated 4 November 2024, Q1.

⁴⁶⁷ Hanshan's response dated 18 January 2024 to CCCS's s 63 notice dated 8 January 2024, Q3.e; Zhongguo's response dated 18 January 2024 to CCCS's s 63 notice dated 8 January 2024, Q4.a.

⁴⁶⁸ Hanshan's Written Representations dated 21 February 2025, at paragraph 46(b).

⁴⁶⁹ Zhongguo's Written Representations dated 11 February 2025, at paragraph 90

⁴⁷⁰ For completeness, CCCS had asked the Parties to state and explain the indicator(s) that may be most appropriate to estimate market size and market share figures for (i) the remittance industry and (ii) outward CNY remittance industry, as well as to estimate their own market shares within these two categories based on these indicators. However, the Parties stated that they were unable to provide any such indicators or estimates as to their own market shares. The Parties also did not provide any such indicators or estimates as to their own market shares in their written representations. Zhongguo's response dated 30 June 2023 to CCCS's s 63 notice dated 13 June 2023, Q19 and 20; Hanshan's response dated 15 September 2023 to CCCS's 63 Notice dated 15 August 2023, at paragraphs 13.1, 14.1 and 14.2.

quantify the exact loss caused to customers as a result of the infringement due to the lack of information on the exact remittance rates that would have been offered in the absence of the infringing conduct, CCCS notes that the number of customers that were potentially affected is significant, with Hanshan and Zhongguo each having more than 70,000 customers per year, on average, from 2016 to 2022.⁴⁷¹

277. In addition, based on the data provided by the Parties, the rates of the Parties were more similar during the period of the agreement and/or concerted practice, as compared to after the agreement and/or concerted practice had ceased. This similarity in remittance rates between the Parties during the period of the agreement and/or concerted practice suggests a potential lack of competitive pricing, which might have limited customers' access to a broader range of possible rates in the period of the Information Exchange Conduct.
278. Hanshan submitted that the Information Exchange Conduct did not influence the Parties' determination of their respective outward CNY remittance rates or the intensity of competition between the Parties.⁴⁷² Zhongguo similarly submitted that there is no evidence that the Exchange of Information Conduct resulted in any harm to consumers, such as higher prices for consumers, reduced choice for consumers or reduced market efficiency; instead the remittance market remains highly competitive. Zhongguo noted that the remittance industry is also such that there is high price transparency where remittance rates are available through multiple channels, including websites, mobile applications and third-party financial service aggregators and price comparison tools.⁴⁷³ Zhongguo further submitted that CCCS's assumption that the Information Exchange Conduct led to price-fixing was flawed and that market forces dictate rate movements far more significantly than the Information Exchange Conduct.⁴⁷⁴
279. CCCS rejects the Parties' representations as there is no need for CCCS to demonstrate the actual effects of an infringement when assessing penalties in object infringement cases, and CCCS is entitled to come to a view of the seriousness of the infringing conduct based on its likely effects.⁴⁷⁵ The CAB in *CU Water* also noted *FP McCann*⁴⁷⁶ where the CAT held that if the evidence is not clear on the alleged adverse effect on competition and, in particular where it would require considerable investigation, the CMA may take the view that it can fix a penalty even if it was not shown whether the cartel did or did not have an adverse effect on competition.
280. As set out in paragraph 234 above, instead of independently adapting to the existing or anticipated conduct of their competitors and facing the uncertainties of the timing, extent

⁴⁷¹ Hanshan's response dated 18 January 2024 to CCCS's s 63 notice dated 8 January 2024, Q4; Zhongguo's response dated 18 January 2024 to CCCS's s 63 notice dated 8 January 2024, Q5.

⁴⁷² Hanshan's Written Representations dated 21 February 2025, at paragraph 46(a).

⁴⁷³ Zhongguo's Written Representations dated 11 February 2025, at paragraphs 84, 90 and 91.

⁴⁷⁴ Zhongguo's Written Representations dated 11 February 2025, at paragraphs 89(b), 91 and 92.

⁴⁷⁵ *CU Water Services Pte Ltd v CCCS* [2023] SGCAB 1 ("*CU Water*"), at [53].

⁴⁷⁶ *FP McCann Limited v Competition and Markets Authority* [2020] CAT 28 at [114] and [115].

and details of their competitors' conduct inherent in the process of competition, the Parties exchanged information directly with each other to reduce the uncertainty of their closest competitor's current and upcoming conduct in the market. This prevented, restricted or distorted competition between the Parties and was not reflective of normal competitive conditions. Furthermore, the Information Exchange Conduct involved the exchange of price information, a highly important factor of competition.

281. With respect to Zhongguo's representations that there is a high level price transparency in the remittance industry, CCCS reiterates the point at paragraph 230 above that the information exchanged between the Parties was not readily available information. Moreover, if the market was indeed of such a high transparency level as claimed by Zhongguo, the Parties would not have needed to engage in the Information Exchange Conduct.
282. Nature of infringement – CCCS finds that the Information Exchange Conduct served to eliminate or reduce strategic uncertainties inherent in the process of competition between Hanshan and Zhongguo, as to their behaviour on the market vis-à-vis their customers, making it easier for Hanshan and Zhongguo to predict each other's behaviour and adjust their own. If not for the Information Exchange Conduct, there would have existed a higher level of uncertainty between the Parties in terms of the pricing strategies of their competitor. As such, CCCS is of the view that the infringement is likely to have had a significant impact on the intensity of competition between the Parties in relation to the outward CNY remittance services offered by the Parties to customers.
283. Zhongguo submitted that the financial penalty should be based on the actual gain resulting from the alleged infringing conduct and the harm caused to consumers, rather than being based on an arbitrary starting percentage. Zhongguo also submitted that there is no conclusive evidence that the Information Exchange Conduct had resulted in any increased profits, restricted consumer choice or artificially inflated remittance fees.⁴⁷⁷
284. Zhongguo's representations are rejected. As set out in paragraph 272 above, the starting percentage set by CCCS is a reflection of the seriousness of the infringement. It has also been recognised by the CAB in *IPP Financial Advisors* that the policy objectives of CCCS's imposition of financial penalties are to reflect the seriousness of the infringement and deterrence; and not based on the disgorgement of gains obtained from the infringing conduct, assuming that such gains can even be calculated with certainty in the first place.⁴⁷⁸ In the present case, CCCS finds that the Information Exchange Conduct had reduced or removed the uncertainty between the Parties as to their timing, extent and details of the modifications to be adopted in their conduct on the market, which would otherwise be present under normal conditions of competition. In addition, the Parties in

⁴⁷⁷ Zhongguo's Written Representations dated 11 February 2025, at paragraphs 83 and 84.

⁴⁷⁸ *IPP Financial Advisors*, at [41] and [42].

fact took into account the information exchanged with each other, as set out in paragraphs 65, 112, 188, 189 and 241 above.

285. Having regard to the nature of the product, the structure of the market, the likely market shares of the Parties, the potential effect of the infringement on customers, competitors and third parties, and the nature of the infringement, CCCS considers it appropriate to fix the starting point at [~~3~~]6% of relevant turnover for each of the Parties.

B. Step 2: Duration of the infringements

286. After calculating the base penalty sum, CCCS will next consider whether this sum should be adjusted to take into account the duration of the infringements. CCCS considers that an infringement over a part of a year may be treated as a full year for the purpose of calculating the duration of an infringement.⁴⁷⁹ However, CCCS may, in cases involving duration of over one year, round down part years to the nearest month.

287. Based on available evidence, the Parties were involved in a single continuous agreement from 1 January 2016 to 22 February 2022. CCCS therefore adopts a duration multiplier of 6.08 after rounding down the duration to 73 months.

C. Step 3: Aggravating and mitigating factors

288. At this stage, CCCS will consider the presence of aggravating and mitigating factors and make adjustments when assessing the amount of financial penalty,⁴⁸⁰ ie. increasing the penalty where there are aggravating factors and reducing the penalty where there are mitigating factors.

289. The adjustments for mitigating and aggravating factors, if any, will be dealt with below for each Party.

D. Step 4: Other relevant factors

290. CCCS considers that the penalty may be adjusted as appropriate to achieve policy objectives, particularly the deterrence of the Parties and other undertakings from engaging in anti-competitive practices.

291. In determining whether to impose an uplift, CCCS may take into account other considerations, including, but not limited to, an objective estimate of any economic or financial benefit derived or likely to be derived from the infringement by the infringing

⁴⁷⁹ CCCS Penalty Guidelines, at paragraph 2.10.

⁴⁸⁰ CCCS Penalty Guidelines, at paragraph 2.13.

undertaking and any other special features of the case, including the size and financial position of the undertaking in question.⁴⁸¹

E. Step 5: Maximum statutory penalty

292. S 69(4) of the Act provides that the maximum financial penalty shall not exceed 10% of the turnover of the business of such party in Singapore for each year of infringement, up to a maximum of three years. The total turnover of the business of the undertaking in Singapore for the purposes of s 69(4) of the Act is defined in the *Competition (Financial Penalties) Order 2007* as the applicable turnover for the business year preceding the date on which the decision of CCCS is taken, or if figures are not available for that business year, the previous business year. The financial penalty will be adjusted if necessary, to ensure that the statutory maximum is not exceeded.

F. Step 6: Adjustments for immunity, leniency reductions and/or fast track procedure discounts

293. An undertaking participating in cartel activity may benefit from total immunity from, or a significant reduction in the amount of financial penalty to be imposed if it satisfies the requirements for immunity or lenient treatment set out in the *CCCS Guidelines on Lenient Treatment for Undertakings Coming Forward with Information on Cartel Activity*. CCCS will make the necessary adjustments to the financial penalty calculated after Step 5 to take into account immunity or any leniency reductions conferred on an undertaking.⁴⁸² In the present case, none of the Parties are leniency applicants.

294. Under the Fast Track Procedure, parties who admit liability for their infringement of the Act and successfully conclude the Fast Track Agreement with CCCS will be eligible for a fixed 10% reduction in the amount of financial penalty.⁴⁸³ In the present case, Hanshan signed a Fast Track Agreement with CCCS under the Fast Track Procedure.

III. Penalty for Zhongguo

295. Zhongguo was involved in the Information Exchange Conduct which had the object of restricting, preventing or distorting competition in the provision of outward remittance services for CNY.

296. **Step 1: Calculation of Base Penalty:** Zhongguo's financial year commences on 1 July and ends on 30 June. As the infringement ended on 22 February 2022, the business year for the purpose of determining relevant turnover is the financial year ended 30 June 2021,

⁴⁸¹ *CCCS Penalty Guidelines*, at paragraph 2.18.

⁴⁸² *CCCS Penalty Guidelines*, at paragraph 2.22.

⁴⁸³ *CCCS Practice Statement on the Fast Track Procedure for section 34 and Section 47 Cases*, paragraph 1.1; *CCCS Penalty Guidelines*, at paragraph 2.23.

ie. 1 July 2020 to 30 June 2021 (“FY2021(ZG)”). As set out at paragraph 266 above, the relevant turnover comprises the net gain from outward CNY remittance services and the commission/service fees from outward CNY remittance services.

297. Zhongguo submitted that its relevant turnover for FY2021(ZG) was [REDACTED].⁴⁸⁴ After considering Zhongguo’s representations, CCCS finds that Zhongguo’s methodology underestimates Zhongguo’s relevant turnover that is attributable to outward CNY remittance services.⁴⁸⁵ Instead, CCCS estimates Zhongguo’s relevant turnover for FY2021(ZG) to be [REDACTED].

298. In its representations, Zhongguo quantified its total net gain from both inward and outward CNY remittance services in FY2021(ZG), which amounted to [REDACTED]. Zhongguo also attempted to isolate the net gain that was solely attributable to outward CNY remittance services. In FY2021(ZG), in respect of outward CNY remittance services, Zhongguo received a total of [REDACTED] to be remitted out in CNY and correspondingly remitted a total of [REDACTED] to fulfil its outward CNY remittance obligations.⁴⁸⁶ To fulfil the outward CNY remittance obligations, Zhongguo used [REDACTED].⁴⁸⁷ Based on these figures, CCCS understands that Zhongguo applied the following steps to calculate its net gain solely attributable to outward CNY remittance services:⁴⁸⁸

- a. [REDACTED].⁴⁸⁹
- b. [REDACTED].⁴⁹⁰ [REDACTED].⁴⁹¹
- c. [REDACTED].
- d. [REDACTED].
- e. Zhongguo submitted that [REDACTED] was attributable to Zhongguo’s outward CNY remittance business. This would leave the rest of Zhongguo’s total net gain from

⁴⁸⁴ Zhongguo submitted that its net gain from outward CNY remittance services was [REDACTED] and the commission/service fees from outward CNY remittance services was [REDACTED], which totals to [REDACTED]. Zhongguo’s responses dated 3 May 2024 and 20 August 2024 to CCCS’s s 63 Notice dated 12 March 2024; Emails from NSC & Associates Pac to CCCS dated 8 August 2024 and 15 August 2024. Email from Zhongguo dated 30 October 2024 to CCCS’s email dated 24 October 2024.

⁴⁸⁵ CCCS retains the discretion to use different turnover figures, if the undertaking’s audited accounts do not reflect the true scale of an undertaking’s activities in the relevant market. Paragraph 2.6 of the *CCCS Guidelines on the Appropriate Amount of Penalty in Competition Cases*.

⁴⁸⁶ Emails from NSC & Associates Pac to CCCS dated 8 and 15 August 2024; Zhongguo’s response dated 24 September 2024 to CCCS’s email dated 20 September 2024, Q4.

⁴⁸⁷ Emails from NSC & Associates Pac to CCCS dated 8 and 15 August 2024.

⁴⁸⁸ Emails from NSC & Associates Pac to CCCS dated 8 and 15 August 2024.

⁴⁸⁹ CCCS has calculated this figure by [REDACTED].

⁴⁹⁰ [REDACTED].

⁴⁹¹ [REDACTED]

its CNY remittance business, amounting to [¥], to be attributable to Zhongguo's inward CNY remittance business.

299. CCCS considers that the above methodology applied by Zhongguo materially underestimates the net gain from outward CNY remittance for the following reasons:

- a. **Cross-utilisation of SGD and CNY for inward and outward remittance simultaneously is not recognised:** Zhongguo's calculation fails to account for the fact that Zhongguo utilised the currencies it received from customers of its inward and outward CNY remittance businesses to then fulfil its obligations for its customers' remittance transactions, ie. CNY received from inward CNY remittance customers was used to pay out the obligations for outward CNY remittance customers, and, likewise, SGD received from outward CNY remittance customers was used to pay out the obligations for inward CNY remittance customers.⁴⁹² Without this cross-utilization, Zhongguo would have had to obtain these currencies from third-party agents at a less favourable rate.⁴⁹³ CCCS considers that the cost savings that Zhongguo accrued for itself by utilizing its CNY from Inward Remittance to fulfil its outward CNY remittance obligations have not been properly accounted for when calculating its net gain from providing its outward CNY remittance services.
- b. **CNY remittance rate applied is aggregated at annual level:** The quantum of the net gain calculated by Zhongguo was derived using the weighted average CNY remittance rate from third-party agents at the annual level (ie. [¥]⁴⁹⁴), which does not account for the timing of Zhongguo's purchases of CNY and how third-party agent rates may have fluctuated in FY2021(ZG).⁴⁹⁵
- c. **Opening balance of CNY is not recognised:** Zhongguo's calculations of its net gain do not account for the CNY that Zhongguo had at the start of its financial year (ie. Zhongguo's opening balance for FY2021(ZG)). This sum of CNY was available for use by Zhongguo to fulfil its outward CNY remittance obligations in the financial year. Not recognising the usage of Zhongguo's opening balance of CNY would affect Zhongguo's costs associated with fulfilling its outward CNY remittance and consequently, the net gain from Zhongguo's outward CNY remittance.

⁴⁹² Email from NSC & Associates Pac to CCCS dated 15 August 2024

⁴⁹³ Email from NSC & Associates Pac to CCCS dated 8 and 15 August 2024.

⁴⁹⁴ The weighted average exchange rate of [¥] (rounded off) was used in Zhongguo's calculations as noted in paragraph 256(b).

⁴⁹⁵ At the annual level, the various purchases of CNY at differing exchange rates and time were summed up to derive one overall exchange rate per agent. This aggregation therefore omits the information on the (i) frequency; (ii) timing; and (iii) volumes of such purchases. This information is significant as currency exchange rates can fluctuate significantly over the course of a year.

300. In light of the inadequacies associated with Zhongguo's methodology, CCCS is of the view that an alternative methodology should be applied to compute Zhongguo's net gain from its outward CNY remittance services. An overview of CCCS's methodology is set out below:

- a. First, CCCS assesses the current holding of CNY ("**Current Holding**" of CNY) that remittance companies such as the Parties would have on hand. This represents the pool of CNY that remittance companies such as Zhongguo would possess, which can be used to fulfil any CNY remittance obligations from outward CNY remittance. CCCS notes that the CNY is often sourced from various avenues such as inward CNY remittance and third-party agents, to make up the Current Holding from which outward CNY remittance obligations can be fulfilled. Once such inflows of CNY are received, it becomes part of the common pool of CNY held (ie., the Current Holding) from which CNY can be drawn to fulfil individual outward CNY obligations. In any particular period, remittance companies would also be able to utilise any stock of CNY they have on hand at the beginning of the period to fulfil outward CNY remittance obligations, such as CNY purchased and not used in previous periods.⁴⁹⁶ CCCS therefore assesses that each Party's Current Holding of CNY in a particular period comprises its opening balance at the beginning of the period, as well as CNY from Inward Remittance and CNY from Third-party Agents during that period.
- b. Second, this Current Holding of CNY will have a weighted average exchange rate that changes with each inflow of CNY received (eg. when Zhongguo purchases more CNY from Third-party Agents, or when Zhongguo receives more CNY from Inward Remittance).
- c. Third, once the Current Holding is determined, the retail outward CNY remittance rates applied to outward CNY remittance transactions will be compared against the weighted average exchange rate of the Current Holding to determine the outward CNY remittance net gain of the remittance company. For example, if the weighted average exchange rate of the Current Holding of CNY is "5.67", and the retail outward CNY remittance rate charged by Zhongguo to a customer for an outward CNY remittance transaction of CNY30,000 is "5.60", the net gain would be $\text{SGD}(30,000/5.60 - 30,000/5.67)$, ie. about SGD66.
 - i. To determine the outward CNY remittance net gain of the remittance company, CCCS will assess the two factors that contribute to net gain. For the net gain obtained from outward CNY remittance that are fulfilled using CNY from the opening balance and CNY from Third-party Agents,

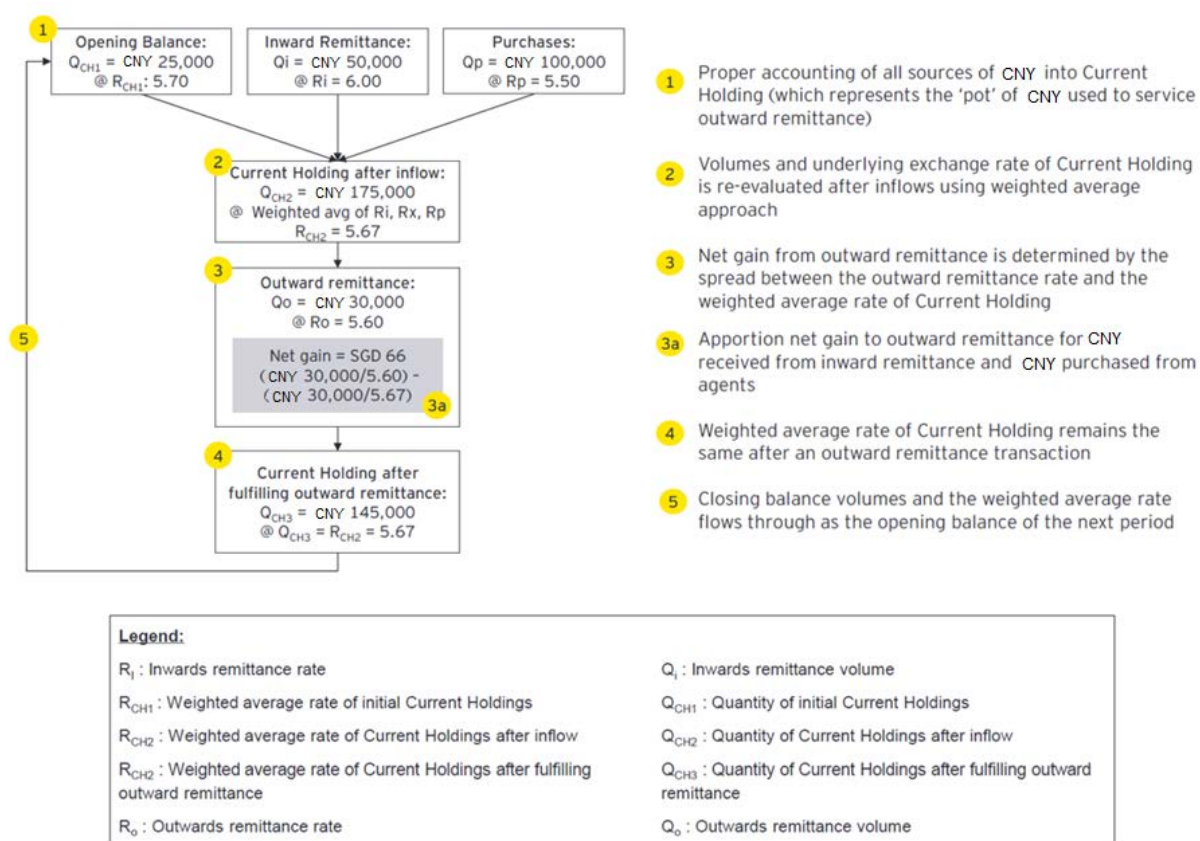
⁴⁹⁶ This is also known as the "opening balance" of CNY held by remittance companies.

CCCS notes that these are fully attributable to outward CNY remittance (and none to inward CNY remittance), as these sources of CNY were not used to fulfil inward CNY remittance services.

- ii. For the net gain obtained from outward CNY remittances that are fulfilled using CNY from Inward Remittance, CCCS recognises that remittance companies such as the Parties cross-utilise the SGD received from outward CNY remittance transactions to fulfil the inward CNY remittance obligations and the CNY received from inward CNY remittance transactions to fulfil the outward CNY remittance obligations. Thus, the net gain calculated for such transactions needs to be apportioned between inward and outward CNY remittance services. To reflect this, CCCS will carry out the apportionment based on a “profitability” measure, in view that businesses (including remittance companies such as Zhongguo and Hanshan) are generally profit-maximizing and rely on profitability as a key measure of financial performance for businesses.
- iii. To estimate the appropriate rate for apportionment, CCCS will take the weighted average rate that remittance companies (such as Zhongguo) purchased CNY from Third-party Agents as a form of “market rate” in FY2021(ZG), which is then used to determine the spread that should be apportioned to outward CNY remittance and the spread that should be apportioned to inward CNY remittance (see Annex F for a more detailed explanation of how the market rate is used for apportionment).
- d. Fourth, the Current Holding is reduced by the amount of CNY used for outward CNY remittance, but the weighted average exchange rate of the Current Holding remains the same unless there is new inflow of CNY to the Current Holding (ie., CNY from Inward Remittance and CNY from Third-party Agents).
- e. Fifth, the volume and weighted average exchange rate of the closing balance of the Current Holding at the end of the period will then be used for the opening balance of the next period, if the data is sufficiently granular to allow for the calculation of net gains in sub-periods within the year.

301. An illustration of the methodology outlined above is found below.⁴⁹⁷

⁴⁹⁷ The numbers used in the illustration are purely for illustrative purposes and do not represent actual rates or volumes of CNY.



302. When applying CCCS's methodology to determine Zhongguo's net gain from outward CNY remittance, CCCS notes that its methodology would be able to provide a more precise calculation of Zhongguo's net gain if more granular data had been provided by Zhongguo (eg. transaction level data). Given that the information provided by Zhongguo is largely aggregated at the annual level, CCCS has applied its methodology based on available data at the annual level in the following manner:⁴⁹⁸

- Calculation of Zhongguo's Current Holdings and its associated weighted average exchange rate in FY2021(ZG).

Table 1: Zhongguo's Current Holding of CNY⁴⁹⁹

	Volume (CNY)	Weightage (%)	CNY to SGD rates (rounded off)
Opening balance	[X]	[X]	[X]

⁴⁹⁸ While outward CNY remittance volumes and rates were provided to CCCS at the transaction level for FY2021(ZG), information regarding CNY from Inward Remittance and CNY from Third-party Agents were only provided at the annual level for FY2021(ZG). Hence, in view of the limitations provided by Zhongguo, CCCS has estimated Zhongguo's net gain at the annual level for FY2021(ZG).

⁴⁹⁹ Refer to Annex B for specific calculations.

CNY from Inward Remittance	[¥]	[¥]	[¥]
CNY from Third-party Agents	[¥] ⁵⁰⁰	[¥]	[¥]
Total cash available	[¥]	[¥]	
Weighted average rate			[¥] ⁵⁰¹

- b. Calculation of Zhongguo's net gain from outward CNY remittance fulfilled by (i) CNY from Inward Remittance and (ii) CNY from Third-party Agents and Zhongguo's opening balance for FY2021(ZG).

Table 2: Calculation of Zhongguo's net gain in FY2021(ZG)

Figures	Unit	Outward CNY remittance fulfilled using CNY from Inward Remittance	Outward CNY remittance fulfilled using CNY from Third-party Agents (and opening balance)	Total
Principal amount received from outward CNY remittance transactions	CNY	[¥]	[¥]	[¥]
Weighted average outward CNY remittance rate	CNY/SGD	[¥]	[¥]	[¥]
Weighted average exchange rate of Current Holding	CNY/SGD	[¥]	[¥]	[¥]
Principal amount received from outward CNY remittance transactions (excluding cancellations)	SGD	[¥] ⁵⁰²	[¥] ⁵⁰³	[¥]

⁵⁰⁰ For the purposes of calculating Current Holding, CCCS has included purchases from licensed agents and payout partners (ie. [¥] as submitted by Zhongguo) as well as closing balance (ie. [¥] as submitted by Zhongguo) in CCCS's calculation of CNY from Third-party Agents. CCCS has included closing balance given that the CNY from closing balance were obtained in FY2021(ZG) and hence, should be included in the Zhongguo's Current Holding of FY2021(ZG). Emails from NSC & Associates Pac to CCCS dated 8 and 15 August 2024.

⁵⁰¹ The weighted average rate of [¥] can be calculated by taking total CNY available (ie. [¥]) ÷ corresponding total SGD available (ie. [¥]).

⁵⁰² [¥]

⁵⁰³ [¥]

Principal amount costed to fulfil the outward CNY remittance transactions	SGD	[¥] ⁵⁰⁴	[¥] ⁵⁰⁵	[¥]
Net gain from outward CNY remittance	SGD	[¥] ⁵⁰⁶	[¥] ⁵⁰⁷	[¥]
Apportioning factor ⁵⁰⁸	SGD	[¥]	[¥]	[¥]
Total net gain from outward remittance transactions	SGD	[¥]	[¥]	[¥]

303. Based on Tables 1 and 2 above, CCCS calculates the individual contribution of (i) CNY from Inward Remittance using an apportioning factor and (ii) CNY from Third-party Agents and Zhongguo's opening balance. CCCS finds the total net gain attributable to Zhongguo's outward CNY remittance for FY2021(ZG) to be [¥] (being [¥] from outward CNY remittance fulfilled using CNY from Inward Remittance and [¥] from outward CNY remittance fulfilled using CNY from Third-party Agents and Zhongguo's opening balance).

304. In conclusion, CCCS finds Zhongguo's relevant turnover for FY2021(ZG) to be [¥] (net gain from outward CNY remittance services) and [¥](commissions/service fees), totalling [¥].

305. CCCS has analysed its findings regarding the seriousness of this infringement in accordance with paragraphs 272 to 285 above and fixed the starting point at [¥]% of relevant turnover. The starting amount for Zhongguo is therefore [¥].

306. **Step 2: Duration of Infringement**: In accordance with paragraphs 286 to 287 above, the duration multiplier is **6.08 years**. Therefore, the penalty after adjustment for duration is [¥].

307. Zhongguo submitted that the penalty should be adjusted to reflect the actual duration and intensity of the conduct as the exchange of information was sporadic and not continuous throughout the period of 1 January 2016 to 22 February 2022.⁵⁰⁹

⁵⁰⁴ [¥]

⁵⁰⁵ [¥]

⁵⁰⁶ [¥]

⁵⁰⁷ [¥]

⁵⁰⁸ For Zhongguo, the weighted annual average inward CNY remittance rate and outward CNY remittance rate is calculated as [¥] and [¥] respectively. This results in a total spread of [¥] between the two exchange rates. Using the annual "market rate" of [¥], the apportioning factor for outwards remittance is calculated to be [¥].

⁵⁰⁹ Zhongguo's Written Representations dated 11 February 2025, at paragraph 89(a).

308. However, Zhongguo did not provide any substantiation on how the Information Exchange Conduct was sporadic and not continuous, and there was no evidence from the Parties' employees indicating that the Information Exchange Conduct had ceased between 1 January 2016 to 22 February 2022.⁵¹⁰ CCCS reiterates its findings in paragraphs 248 and 249 above that the Information Exchange Conduct amounts to a single continuous agreement. Accordingly, CCCS rejects Zhongguo's representations and makes no adjustment to the duration multiplier.
309. **Step 3: Aggravating and mitigating factors:** CCCS considers that Zhongguo provided cooperation by providing significant and useful evidence, including documentary evidence, that assisted CCCS in its investigation. CCCS therefore [X]. Having taken into consideration all the facts and circumstances of this case, and after taking into account the aggravating and mitigating factors, the penalty is [X].
310. In its representations, Zhongguo submitted that it had fully cooperated with CCCS throughout the investigation, providing all requested documents and information in a timely manner without obstruction and its cooperation should be taken account as a mitigating factor.⁵¹¹
311. CCCS has already considered the extent of Zhongguo's cooperation in deciding the appropriate mitigating discount, set out in paragraph 309 above.
312. **Step 4: Adjustment for other factors:**
313. Making reference to proportionality, Zhongguo submitted that the financial penalty should be adjusted to reflect the following mitigating factors:⁵¹²
- a. The actual duration and intensity of the conduct;
 - b. The fact that there is no evidence that the Information Exchange Conduct resulted in any harm to consumers; and
 - c. Zhongguo had cooperated with CCCS throughout the investigation.
314. These alleged mitigating factors raised by Zhongguo relate to the earlier steps in CCCS's six-step penalty calculation framework, and CCCS has already addressed these representations under steps 1, 2 and 3 above (at paragraphs 276 to 281, 307 to 308 and

⁵¹⁰ Employees of the Parties stated that to their knowledge, there were no stoppages or gaps in the Information Exchange Conduct during the period in which they were working at the counter. NOI of Sun Linlin (Zhongguo) dated 12 December 2024, Q175; NOI of Chua Poh Eng (Hanshan) dated 12 January 2024, Q76.

⁵¹¹ Zhongguo's Written Representations dated 11 February 2025, at paragraph 89(c).

⁵¹² Zhongguo's Written Representations dated 11 February 2025, at paragraph 89.

310 to 311 above). CCCS highlights that the principle of proportionality ought to be applied with reference to the twin objectives of (i) punishment on infringing undertakings that reflects the seriousness of the infringement and (ii) deterrence on the infringing undertakings and other undertakings from engaging in anti-competitive practices,⁵¹³ and does not serve as a basis for factors that have been considered at earlier steps within the penalty calculation framework to be retreaded.

315. Zhongguo additionally submitted that a severe penalty would unfairly disadvantage a mid-sized player like itself and that if Zhongguo were forced to reduce operations or exit the market, consumers would have fewer choices, potentially leading to higher remittance costs due to reduced competition.⁵¹⁴ Zhongguo further submitted that a penalty that fails to consider its free cash flow and working capital constraints will not only cripple its operations but reduce its ability to comply with future regulatory obligations, and that CCCS should consider liquidity and solvency indicators such as the current ratio, quick ratio and debt-to-equity ratio.⁵¹⁵
316. CCCS is of the view that this bare assertion by Zhongguo does not warrant a reduction in penalty imposed on Zhongguo. It is trite that an adverse financial situation or loss-making situation is not a sufficient reason to justify a reduction in penalties as it would have the effect of conferring an “*unjustified competitive advantage to undertakings least well adapted to the market conditions*”.⁵¹⁶ In any event, apart from making references to various types of financial ratios, Zhongguo did not provide any specific figures or evidence in support of its contention concerning its financial situation. Based on the evidence available to CCCS, CCCS notes that [X]. Further, under paragraph 4 of the Competition (Financial Penalties) Order 2007, undertakings can apply to CCCS to pay their financial penalty in instalments.
317. CCCS considers that the figure of [X] is sufficient to act as an effective deterrent to Zhongguo and to other undertakings that may consider engaging in similar information sharing conduct and is not imposing an uplift to Zhongguo’s financial penalty. In view of Zhongguo’s size and financial position, CCCS considers that there is no need for an adjustment with regards to penalty on the basis of proportionality. No adjustments were made to the financial penalty at this step.
318. **Step 5: Adjustment to prevent maximum penalty being exceeded**: The applicable turnover for Zhongguo for the business year preceding the date of this PID (ie. the

⁵¹³ CCCS Penalty Guidelines, at paragraph 1.7.

⁵¹⁴ Zhongguo’s Written Representations dated 11 February 2025, at paragraphs 74 and 75.

⁵¹⁵ Zhongguo’s Written Representations dated 11 February 2025, at paragraph 86.

⁵¹⁶ *Express Bus Operators*, at [499], citing Joined Cases T-236/01 etc. *Tokai Carbon Co. Ltd & Ors v. Commission* [2004] ECR II-1181 at [370]; CCS 500/002/09 Price Fixing in Modelling Services, at [292] to [293], and Case T-54/14 *Goldfish BV etc. v Commission* EU:T:2016:255, at [135] to [136].

financial year ending 30 June 2024) is [X].⁵¹⁷ As such, the statutory maximum penalty for Zhongguo is [X].

319. The financial penalty of [X] exceeds the maximum financial penalty that CCCS can impose in accordance with s 69(4) of the Act, ie. [X]. Hence, the financial penalty will be adjusted downwards to [X].
320. **Step 6: Adjustment for immunity, leniency and/or Fast Track Procedure discounts:** Zhongguo did not apply for leniency nor did Zhongguo enter into a Fast Track Agreement for a further discount on its penalty. Zhongguo consequently receives no further discount on its financial penalty.
321. Accordingly, CCCS concludes that a financial penalty of **SGD2,793,700** is to be imposed on Zhongguo.

IV. Penalty for Hanshan

322. Hanshan was involved in the Information Exchange Conduct which had the object of restricting, preventing or distorting competition in the provision of outward remittance services for CNY.
323. **Step 1: Calculation of Base Penalty:** Hanshan's financial year commences on 1 January and ends on 31 December. As the infringement ended on 22 February 2022, the business year for the purpose of determining relevant turnover is the financial year ended 31 December 2021, ie. 1 January 2021 to 31 December 2021 ("FY2021(HS)"). As set out at paragraph 266 above, the relevant turnover comprises the net gain from outward CNY remittance services and the commission/service fees from outward CNY remittance services.
324. During the investigation, Hanshan submitted that its net gain from outward CNY remittance services was [X], and its commission/service fees from outward CNY remittance services was [X].⁵¹⁸ However, upon further review of the underlying figures in respect of Hanshan's net gain from outward and inward CNY remittance services, CCCS observed in the PID that Hanshan was unable to provide internally consistent and complete underlying figures and information to support the breakdown of its net gain from such services, or provide a coherent explanation on how these underlying figures reconcile with one another. Some examples of areas of material inconsistencies and gaps in Hanshan's representations are as follows:

⁵¹⁷ Zhongguo's response dated 18 January 2024 to CCCS's s 63 Notice dated 8 January 2024, Q6.

⁵¹⁸ Hanshan's response dated 28 September 2023 to CCCS's s 63 Notice dated 21 September 2023, Q1(b).
Hanshan's response dated 14 December 2023 to CCCS's s 63 Notice dated 22 November 2023, Q1(a).

- a. Hanshan was unable to provide a proper account of the amount of CNY that it had paid out for its outward CNY remittance obligations for FY2021(HS). While Hanshan stated that its outward CNY remittance obligations for FY2021(HS) amounted to [REDACTED], this figure does not appear to be supported by actual transactional records of CNY paid out by Hanshan. Instead, internal workings submitted by Hanshan suggested that it had derived this figure by [REDACTED].⁵¹⁹
- b. Similarly, Hanshan was unable to provide a proper account of the flow of CNY that it had received from its inward CNY remittance customers for FY2021(HS). To illustrate, out of [REDACTED] that Hanshan had collected from inward CNY remittance customers, Hanshan initially stated that [REDACTED]. Subsequently, Hanshan clarified that [REDACTED]. However, this runs counter to Hanshan's submission that [REDACTED].⁵²⁰
- c. Hanshan was unable to use its underlying figures to explain how it had derived its submission on its net gain from outward CNY remittance services and inward CNY remittance services. In this regard, while Hanshan initially stated that its net gain from its outward CNY remittance services was [REDACTED], it subsequently submitted underlying figures that suggest the net gain could be [REDACTED] instead.⁵²¹ Hanshan was unable to reconcile the differences in these figures, as it claimed that it was unable to retrieve its previous workings used to calculate the figure of [REDACTED]. Hanshan was also unable to explain and provide supporting evidence of how it had derived its submission on its net gain from inward CNY remittance services.

325. In response to CCCS's observations set out above in the PID, Hanshan submitted written representations dated 21 February 2025 to CCCS on Hanshan's net gain attributed to outward CNY remittance in FY2021(HS), amongst other representations. In its written representations and subsequent responses dated 18 March 2025 and 25 March 2025 to CCCS's s 63 notice dated 4 March 2025, Hanshan arrived at an alternative net gain for outward CNY remittance in FY2021(HS) by first tabulating its daily net gain from inward CNY remittance in FY2021(HS) and calculated that Hanshan's FY2021(HS) net gain from inward CNY remittance was [REDACTED].⁵²² Hanshan thereafter noted that the net gain for outward CNY remittance is the difference between total net gain (i.e [REDACTED]⁵²³) and net

⁵¹⁹ Hanshan's response dated 7 November 2024 to CCCS's email dated 4 November 2024, at paragraph 1.1; Hanshan's response dated 11 November 2024 to CCCS's emails dated 7 and 8 November 2024, at paragraph 6.1.

⁵²⁰ Hanshan's responses dated 1 November 2024 to CCCS's email dated 10 October 2024, Q2(c); Hanshan's response dated 7 November 2024 to CCCS's email dated 4 November 2024, at paragraph 4.1; Hanshan's response dated 11 November 2024 to CCCS's emails dated 7 and 8 November 2024, at paragraph 4.2.

⁵²¹ [REDACTED]. Hanshan's response dated 7 November 2024 to CCCS's email dated 4 November 2024, at paragraphs 2.4 to 2.5.

⁵²² Hanshan's Written Representations dated 21 February 2025, at paragraph 49(a) and Annex 1.

⁵²³ The figure [REDACTED] was previously submitted to CCCS in Hanshan's response dated 14 December 2023 to CCCS's email dated 22 November 2023.

gain from inward CNY remittance (ie. [X]), which corresponds to [X] (being [X] – [X]).⁵²⁴

326. CCCS notes that Hanshan’s methodology submitted in its representations takes an indirect approach to calculating net gain from outward CNY remittance (ie. it first calculated the net gain from inward CNY remittance, before subtracting it from the total net gain). Thus, CCCS requested Hanshan to provide a tabulation for its daily net gain from outward CNY remittance instead.⁵²⁵ However, Hanshan was unable to provide the daily net gain from outward CNY remittance, citing difficulties with the large volume of outward CNY remittance transactions in FY2021(HS),⁵²⁶ and Hanshan’s inability to match and “square off” equivalent buying and selling rates for FY2021(HS).⁵²⁷ Hanshan also cited the added complication of its use of USD when purchasing CNY from wholesalers.⁵²⁸

327. In addition to the issues raised by Hanshan in its written representations, CCCS considers Hanshan’s methodology and calculations to be unsatisfactory for the following reasons:

- a. **Cross-utilisation of SGD and CNY for inward and outward remittance simultaneously is not recognised:** Hanshan’s calculation fails to account for the fact that Hanshan utilised the currencies it received from customers of its inward and outward CNY remittance businesses to then fulfil its obligations for its customers’ remittance transactions, ie. CNY received from inward CNY remittance customers was used to pay out the obligations for outward CNY remittance customers, and, likewise, SGD received from outward CNY remittance customers was used to pay out the obligations for inward CNY remittance customers.⁵²⁹ Without this cross-utilisation, Hanshan would have had to obtain these currencies from third-party agents at a less favourable rate. CCCS considers that the cost savings that Hanshan accrued for itself by utilising its CNY from Inward Remittance to fulfil its outward CNY remittance obligations have not been properly accounted for when calculating its net gain from providing its outward CNY remittance services.
- b. **Usage of inconsistent figures:** Similar to CCCS’s earlier observation that Hanshan was unable to provide internally consistent and complete underlying figures or provide a coherent explanation as to why the information provided to CCCS in various responses differed, CCCS observed that the underlying figures used by Hanshan to arrive at the figure submitted in its written representations

⁵²⁴ Hanshan’s Written Representations dated 21 February 2025, at paragraph 49.

⁵²⁵ CCCS’s s 63 notice dated 4 March 2025.

⁵²⁶ Hanshan submitted that there are [X]. Specifically, in FY2021(HS), there were [X]. Hanshan’s Response dated 18 March 2025 to CCCS’s s 63 notice dated 4 March 2025, at paragraph 1.2.

⁵²⁷ Hanshan’s Response dated 18 March 2025 to CCCS’s s 63 notice dated 4 March 2025, at paragraphs 1.2 to 1.4.

⁵²⁸ Hanshan’s Response dated 18 March 2025 to CCCS’s s 63 notice dated 4 March 2025, at paragraphs 1.5 and 1.6

⁵²⁹ Hanshan’s response dated 7 November 2024 to CCCS’s email dated 5 November 2024.

are not internally consistent with subsequent figures provided by Hanshan. To illustrate, Hanshan's methodology in its representations dated 21 February 2025 relied heavily on collating the inward CNY remittance transactions in FY2021(HS),⁵³⁰ which was used to generate the net gain for inward CNY remittance transactions (referred to as "**Hanshan's Annex A1**"). In Hanshan's subsequent submission to CCCS dated 18 March 2025, which amongst others, included transaction-level data for inward CNY remittance transaction in FY2021(HS) that were substantiated with invoice numbers and screenshots of the actual remittance transactions⁵³¹ (referred to as "**Hanshan's Annex A2**"), CCCS notes that the two datasets were not consistent with each other, even though both datasets were supposed to refer to inward CNY remittance transactions fulfilled by Hanshan in FY2021(HS). Hanshan made a further submission to CCCS dated 25 March 2025, to correct some of the errors (four out of [X] transactions) that Hanshan had found in Hanshan's Annex A1 (referred to as "**Updated Annex A1**").⁵³² Despite three sets of data on the same topic (Hanshan's inward CNY remittance transaction in FY2021(HS)), the Updated Annex A1 remains inconsistent with Hanshan's Annex A2. In light of this, CCCS finds that the information in Hanshan's Annex A2 is more credible compared to Hanshan's Annex A1 and Updated Annex A1, given that it was substantiated with invoice numbers and screenshots of the actual remittance transactions.

- c. **Unreasonable assumption used in Hanshan's calculations:** A key input in Hanshan's calculation of daily net gain attributable to inward CNY remittance services is a "selling" rate. In Hanshan's calculations, "selling" rate is interpreted as the cost of purchasing SGD using CNY.⁵³³ However, Hanshan then used the most recent wholesale rate that an agent (Agent 49) charged Hanshan when supplying CNY to Hanshan as the "selling" rate, ie. instead of using the cost of purchasing SGD using CNY, Hanshan used the cost of purchasing CNY using SGD for the "selling" rate.⁵³⁴ Hence, Hanshan's figures for the "selling" rates used were not the actual cost of purchasing SGD for fulfilling inward CNY remittance obligations. Further, CCCS considers that Hanshan has not properly explained why it only referred to Agent 49's wholesale rate as the "selling rate" without taking into account other third-party agents' rates given that it had purchased CNY from these agents in FY2021(HS).

In Hanshan's representations to the SPID, Hanshan pointed out that it had already explained that Hanshan had relied on Agent 49's "selling" rate because Agent 49 [X].⁵³⁵ However, this does not explain why, when Hanshan was

⁵³⁰ Hanshan's Written Representations dated 21 February 2025, Annex A1.

⁵³¹ Hanshan's response dated 18 March 2025 to CCCS's s 63 notice dated 4 March 2025, Annex A2.

⁵³² Hanshan's Supplemental Submission dated 25 March 2025, Updated Annex A1.

⁵³³ Hanshan's Written Representations dated 21 February 2025, Annex A1.

⁵³⁴ Hanshan's response dated 18 March 2025 to CCCS's email dated 4 March 2025.

⁵³⁵ Hanshan's response dated 18 March 2025 to CCCS's s 63 notice dated 4 March 2025, at paragraph 2.3. Hanshan's Written Statement dated 29 April 2025, at paragraph 4(b).

using the wholesale rate for obtaining CNY as the “selling” rate, it did not include the other third-party agents’ rates for a more representative wholesale rate for obtaining CNY from Third-party agents. In this regard, although Hanshan provided different versions of its list of third-party agents,⁵³⁶ Hanshan had consistently submitted that it purchased from more than one third-party agent when purchasing CNY from Third-party Agents.⁵³⁷ More importantly, Hanshan failed to address its usage of the cost of purchasing CNY with SGD as the “selling” rate instead of the actual cost of purchasing SGD for fulfilling inward CNY remittance obligations (ie. the cost of purchasing SGD using CNY).⁵³⁸

- d. CCCS also notes that it is unclear how Hanshan’s total net gain figure (ie. [X]) is derived and Hanshan did not provide any supporting evidence or calculations to support the figure submitted. Hanshan highlighted in its representations to the SPID that the total net gain figure of [X] was initially relied on by CCCS at paragraph 271.b of the PID.⁵³⁹ CCCS had, in the PID, utilised the figure to approximate Hanshan’s net gain from outward CNY remittance services in FY2021(HS) to apply its initial methodology in the PID to calculate Hanshan’s relevant turnover.⁵⁴⁰ However, with the new information provided by Hanshan subsequent to the issuance of the PID and upon further consideration, CCCS is able to more directly calculate Hanshan’s net gain from outward CNY remittances without relying on the assumption that Hanshan’s total net gain from CNY remittance services was [X].

328. Given the above issues with Hanshan’s methodology and calculations, CCCS has applied the same methodology as set out in paragraphs 300 to 303 above to Hanshan’s data to determine Hanshan’s relevant turnover for FY2021(HS). The applied methodology would be able to provide a more precise calculation of Hanshan’s net gain if more granular data had been provided by Hanshan (eg. transaction level data for purchases of CNY from Third-party Agents). Overall, Hanshan’s submitted data allows CCCS to apply its methodology at the monthly level,⁵⁴¹ and CCCS has applied its methodology to Hanshan in the following manner:

⁵³⁶ Between the two lists of agents submitted by Hanshan to CCCS (see next footnote), the only common agent present on both lists is “[X]”.

⁵³⁷ Hanshan submitted in November 2024 to CCCS that it purchased CNY from agents coded as agent [X] in FY2021(HS). Hanshan also submitted that the list of “agents who assist with outward CNY remittance”, also referred to as “wholesalers” in FY2021(HS) are agents coded as agent [X]. Updated Annex A of Hanshan’s response dated 11 November 2024 to CCCS’s queries dated 7 & 8 November 2024 and at paragraph 3.1 of Hanshan’s response dated 18 March 2025 to CCCS’s email dated 4 March 2025.

⁵³⁸ SPID, at paragraph 275(c).

⁵³⁹ Hanshan’s Written Statement dated 29 April 2025, at paragraph 4(a).

⁵⁴⁰ PID, at paragraph 271.

⁵⁴¹ Hanshan’s data on outward and inward CNY remittance transactions in FY2021(HS) are available at the individual transaction level, while Hanshan’s information on purchases of CNY from Third-party Agents are available at the monthly level. CCCS’s application is therefore on a monthly basis.

- a. Calculation of Hanshan's Current Holding of CNY and its associated weighted average rate in FY2021(HS) aggregated for each month (see Annex C below for detailed monthly calculations).
 - b. Calculation of Hanshan's net gain from outward CNY remittance fulfilled by (i) CNY from Inward Remittance and (ii) CNY from Third-party Agents and Hanshan's opening balance of CNY for each month (see Annex D and Annex E below for detailed monthly calculations).
329. Based on paragraphs 328.a and 328.b above, CCCS calculated the individual contribution of (i) CNY from Inward Remittance using an apportioning factor and (ii) CNY from Third-party Agents and Hanshan's opening balance. CCCS finds the total net gain attributable to Hanshan's outward CNY remittance for FY2021(HS) to be [X] (being [X] from outward CNY remittance fulfilled using CNY from Inward Remittance and [X] from outward CNY remittance fulfilled using CNY purchased from third-party agents and Hanshan's opening balance).
330. Hanshan made the following representations in relation to the proposed penalty and CCCS's proposed methodology to compute Hanshan's net gain from its outward CNY remittance services in its representations:
- a. Fees amounting to [X]⁵⁴² paid to agents who assisted Hanshan with outward CNY remittance in FY2021(HS) should be deducted from the relevant turnover.⁵⁴³
 - b. CCCS's methodology results in monthly margins that are higher than what Hanshan expects from its business. Thus, Hanshan considered that CCCS's methodology "*does not reflect the realities of competition Hanshan faces...*".⁵⁴⁴ Hanshan elaborated that it had consistently endeavoured to match its competitors' outward CNY remittance rates⁵⁴⁵, such that Hanshan expects its monthly margins to be lower and provided a sample of seven outward CNY remittance transactions it had completed in 2024 in support of this.⁵⁴⁶ Hanshan also highlighted that it continues to earn the service fee of SGD18 per transaction even if the margin is [X] in some instances.⁵⁴⁷ CCCS understands this to mean that Hanshan would still find it profitable to complete outward

⁵⁴² Hanshan first submitted a figure of "[X]" in its written representations but later corrected that the figure was "*overstated as it included fees paid to outward remittance agents for other currencies such as THB, NTD, MYR and IDR.*" Hanshan submitted that [X] should be the correct figure instead. Hanshan's Written Representations dated 21 February 2025, at paragraph 53; and Hanshan's Response dated 18 March 2023 to CCCS's s 63 Notice dated 4 March 2025, at paragraphs 3.6 and 3.7.

⁵⁴³ Hanshan's Written Representations dated 21 February 2025, at paragraph 53.

⁵⁴⁴ Margins between [X]; at paragraph 4.c of Hanshan's written statement dated 29 April 2025.

⁵⁴⁵ Hanshan's Written Statement dated 29 April 2025, at paragraph 4(c).

⁵⁴⁶ The margins calculated based on the sample of seven transactions in 2024 is between [X]; Hanshan's Written Statement dated 29 April 2025, at paragraph 5.

⁵⁴⁷ Hanshan's Written Statement dated 29 April 2025, at paragraph 5.

CNY remittance transactions even if the margin was [¥] because of the SGD18 service fee Hanshan collects on these transactions.

- c. In CCCS's methodology, the amount of CNY that Hanshan had purchased in FY2021(HS) is exaggerated and results in large excesses of CNY⁵⁴⁸. Hanshan *"would not, and does not as a matter of fact, buy such a large amount of RMB from third-party agents just to hold it in its balance"*.⁵⁴⁹ Hanshan also noted that according to CCCS's methodology, Hanshan's opening balance increased from [¥] in January 2021 to [¥] in December 2021. However, Hanshan did not need such a large balance to meet its obligations and had no need to continually purchase CNY from third party agents if it had such large monthly opening balances to fulfil outward CNY remittances.⁵⁵⁰
- d. CCCS's approach of using the exchange rate that applied to the Parties' respective purchases of CNY from Third-party Agents as the "market rate" to derive the "apportioning factor" disproportionately re-distributes Hanshan's margin from inward remittances to outward remittances.⁵⁵¹ Hanshan also submitted that [¥], and notionally there should be a higher transfer price for the inward CNY amounts used to fulfil the outward CNY remittances to reflect the actual "market price".⁵⁵² CCCS understands this to mean that Hanshan claims [¥].

331. CCCS has considered Hanshan's representations on the proposed penalty and CCCS's methodology and rejects them for the following reasons:

- a. In relation to the exclusion of fees Hanshan paid to agents, CCCS notes that the relevant turnover figure for Hanshan that CCCS had concluded at paragraph 329 above was already based on figures provided by Hanshan that accounted for these fees paid to outward CNY remittance agents.⁵⁵³ There is therefore no need to separately exclude such fees from the relevant turnover.
- b. In relation to monthly margins inferred from CCCS's methodology, CCCS makes the following observations. First, even though Hanshan contended that CCCS's methodology does not *"reflect the realities of competition Hanshan faces..."*, no further elaboration was afforded as to why this was the case. It is therefore unclear how this factor rendered CCCS's methodology erroneous.

⁵⁴⁸ Hanshan noted that in CCCS's methodology, the amount of CNY that Hanshan had purchased from third-party agents in FY2021(HS) exceeded CCCS's calculated value for Hanshan's total outward CNY remittances fulfilled using "non-inward remittance sources" (ie. CNY from Third-party Agents and from Hanshan's opening balance) by [¥]; Hanshan's Written Statement dated 29 April 2025, at paragraph 4(d).

⁵⁴⁹ Hanshan's Written Statement dated 29 April 2025, at paragraph 4(d).

⁵⁵⁰ Hanshan's Written Statement dated 29 April 2025, at paragraph 4(e).

⁵⁵¹ Hanshan's Written Statement dated 29 April 2025, at paragraph 4(f).

⁵⁵² Hanshan's Written Statement dated 29 April 2025, at paragraph 4(f).

⁵⁵³ Hanshan's Response dated 18 March 2025 to CCS's s 63 Notice dated 4 March 2025, at paragraph 3.4; Hanshan's Response dated 11 November 2024 to CCCS's queries dated 7 and 8 November 2024, at paragraph 3.2 and Updated Annex A.

Second, the outward CNY remittance rates, which Hanshan supposedly endeavoured to match to its competitors', used in CCCS's calculations were based on transaction data submitted by Hanshan, aggregated on a weighted monthly average basis.⁵⁵⁴ Third, the sample that Hanshan had submitted in its representations to illustrate how low its margins should be was based on a very small sample of only seven transactions, which CCCS highlights could be biased⁵⁵⁵ and were not even from the relevant period of FY2021(HS).⁵⁵⁶ Moreover, this sample did not take into account the various sources of CNY available to Hanshan, besides purchases from third-party agents, for fulfilling outward CNY remittances.

- c. In relation to the large excesses of CNY that Hanshan would possess using CCCS's methodology, CCCS emphasises that the amounts of CNY used in CCCS's methodology were either submitted or derived from Hanshan's submitted data. In particular, based on the data submitted by Hanshan, Hanshan received a total of [X] from inward CNY remittances and from third-party agents over the course of FY2021(HS), which exceeded the amount of CNY that Hanshan sent out to fulfil its outward CNY remittance obligations by [X] in FY2021(HS), ie. equal to the amount of excess CNY that Hanshan pointed out in its representations. Hanshan has not indicated that this amount of excess CNY was erroneous or how this amount was otherwise accounted for. More generally, CCCS notes that Hanshan has failed to provide internally consistent and complete figures and information to CCCS to assist in the calculation of its net gain from outward CNY remittance services or provide a coherent explanation on how the underlying figures reconcile with one another. For example, as noted in paragraph 324.a above, Hanshan initially stated that [X]⁵⁵⁷ but subsequently submitted that [X] without being able to properly explain the discrepancy.⁵⁵⁸ Other examples of the gaps and inconsistencies in Hanshan's figures can be found at paragraphs 324 and 327.b above. Hence, CCCS has applied a methodology that can reasonably and directly calculate Hanshan's net gain from outward CNY remittance services based on the information available.
- d. Regarding the "apportioning factor" derived in CCCS's methodology, CCCS highlights that contrary to Hanshan's submission, the apportioning factor used by CCCS only attributes a small amount ([X]) as net gain to outward CNY

⁵⁵⁴ Sheet titled "Outward CNY FY21" in Annex A2 of Hanshan's s 63 response dated 18 March 2025 to CCCS's s 63 notice dated 4 March 2025.

⁵⁵⁵ The small sample size provided by Hanshan is likely to be less representative than the full list of transactions submitted that CCCS had relied on its methodology. Hanshan also did not provide the selection criteria as to how the sample of seven transactions were identified.

⁵⁵⁶ Hanshan's Written Statement dated 29 April 2025, at paragraph 5.

⁵⁵⁷ Hanshan's Response dated 7 November 2024 to CCCS's email dated 6 November 2024, at paragraph 4.1.

⁵⁵⁸ Paragraphs 4.1 and 4.2 of Hanshan's response dated 11 November 2024 to CCCS's email dated 11 November 2024.

remittance to Hanshan's CNY from Inward Remittance.⁵⁵⁹ CCCS also notes that while Hanshan submitted that notionally there should be a higher transfer price for inward CNY amounts used to fulfil outward CNY remittances to reflect the actual "market price", CCCS's methodology utilises the concept of a "Current Holding" that represents a common pool of CNY that is used to fulfil outward CNY remittance transactions. The concept of a higher transfer price specific to inward CNY amounts used to fulfil outward CNY remittances is therefore moot in CCCS's methodology as any CNY obtained by Hanshan via inward remittance is simply added to the common pot (or Current Holding) that Hanshan holds. In any event, CCCS highlights that Hanshan has not indicated or explained what alternative figures should be used for this supposedly "actual market price". CCCS also notes that [REDACTED], Hanshan had earlier submitted to CCCS that [REDACTED].⁵⁶⁰

332. In conclusion, CCCS finds Hanshan's relevant turnover for FY2021(HS) to be [REDACTED] (net gain from outward CNY remittance services) and [REDACTED] (commissions/service fees), totalling [REDACTED].
333. CCCS has analysed its findings regarding the seriousness of this infringement in accordance with paragraphs 272 to 285 above and fixed the starting point at [REDACTED]% of relevant turnover. The starting amount for Hanshan is therefore [REDACTED].
334. **Step 2: Duration of Infringement:** In accordance with paragraphs 286 to 287 above, the duration multiplier is **6.08 years**. Therefore, the penalty after adjustment for duration is [REDACTED].
335. **Step 3: Aggravating and mitigating factors:** CCCS considers that Hanshan provided cooperation in the form of its voluntary submissions dated 1 August 2022. CCCS therefore [REDACTED]. Having taken into consideration all the facts and circumstances of this case, and after taking into account the aggravating and mitigating factors, the penalty is [REDACTED].
336. **Step 4: Adjustment for other factors:** CCCS considers that the figure of [REDACTED] is sufficient to act as an effective deterrent to Hanshan and to other undertakings that may consider engaging in similar information sharing conduct and is not imposing an uplift to Hanshan's financial penalty. In view of Hanshan's size and financial position, CCCS considers that there is no need for an adjustment with regards to penalty on the basis of proportionality. No adjustments were made to the financial penalty at this step.

⁵⁵⁹ Please refer to Annex F on how the apportioning factor is calculated and Annex D showing that the net gain to outward CNY remittance contributed from Hanshan's CNY received from inward CNY remittance amounts to [REDACTED].

⁵⁶⁰ Hanshan's responses dated 1 November 2024 to CCCS's email dated 10 October 2024, Q2(c).

337. **Step 5: Adjustment to prevent maximum penalty being exceeded:** The applicable turnover for Hanshan for the business year preceding the date of this ID (ie. the financial year ended 31 December 2024) is [X].⁵⁶¹ As such, the statutory maximum penalty for Hanshan is [X].
338. The financial penalty of [X] exceeds the maximum financial penalty that CCCS can impose in accordance with s 69(4) of the Act, ie. [X]. Hence, the financial penalty will be adjusted downwards to [X].
339. **Step 6: Adjustment for immunity, leniency and/or Fast Track Procedure discounts:** Hanshan signed the Fast Track Agreement on 7 July 2025. CCCS therefore grants a reduction of 10% of the financial penalty in accordance with the *CCCS Penalty Guidelines* and *CCCS Practice Statement on the Fast Track Procedure for Section 34 and Section 47 Cases*. As such, the financial penalty after adjustments for Fast Track Procedure discount as set out in the Fast Track Agreement dated 7 July 2025 is [X].
340. Accordingly, CCCS concludes that a financial penalty of **SGD2,571,307** is to be imposed on Hanshan.

V. Conclusion on penalties

341. In conclusion, pursuant to s 69(2)(e) of the Act, CCCS imposes the following financial penalties on the Parties for their involvement in the Information Exchange Conduct:

Party	Financial Penalty
Zhongguo	SGD2,793,700
Hanshan	SGD2,571,307
Total	<u>SGD5,365,007</u>

Alvin Koh
Chief Executive
Competition and Consumer Commission of Singapore

⁵⁶¹ The applicable turnover is derived by adding Hanshan's "Revenue" of [X] and Hanshan's "Net gain from remittance services" of [X] in FY2024(HS). Pages 8 and 18 of Hanshan's Financial Statements for FY2024 and Hanshan's response dated 26 April 2025 to CCCS's s 63 notice dated 21 April 2025.

ANNEX A: INTERVIEWS CONDUCTED BY CCCS

Company	Key Personnel Interviewed	Dates of Interview	Designation
Zhongguo	Huang Guanhua	12 July 2021	Owner and CEO
	Liang Yan Fen	2 March 2022	Former HR Manager Zhongguo
	Wang Meiqin	14 March 2022 9 November 2023 10 November 2023	Team Leader, ZG Counter Team
	Sun Linlin	15 November 2023 16 November 2023 20 November 2023 11 December 2023 12 December 2023	Remittance Officer, ZG Counter Team
	Shi Ze	9 January 2024 10 January 2024	Remittance Officer, ZG Counter Team
	Zhong Wanshan	9 November 2023 10 November 2023 21 November 2023	Team Leader, ZG Purchasing Department
	Wu Wenxi	7 December 2023	Team Leader, ZG Customer Service Department
Hanshan	Thng Koon Eng	12 July 2021	Owner and CEO
	Thng Bee Keow	21 April 2022 6 May 2022	Foreign Exchange Treasury Manager
	Thng Choo Hiang	21 April 2022	Marketing and Customer Service Manager
	Lim Jing Xian	19 April 2022	Former Compliance Manager
	Wang ChunYan	8 January 2024 12 January 2024	Remittance Teller, Hanshan's Counter Team
	Zhang Lei	8 January 2024 12 January 2024	Remittance Teller, Hanshan's Counter Team
	Chua Poh Eng	8 January 2024 12 January 2024	Manager, Hanshan's Counter Team
[REDACTED]	[REDACTED]	1 September 2021	[REDACTED]

ANNEX B: Volume and weighted average rate of Zhongguo's Current Holding

	Volume (CNY)	Volume (SGD)	Weight (%)	CNY to SGD Rate (rounded off)
Opening CNY balance	[X]	[X]	[X]	[X]
CNY received from inward CNY remittance business	[X]	[X]	[X]	[X]
CNY purchases from third-party agents	[X]	[X]	[X]	[X]
<u>Total Cash available</u>	[X]	[X]	[X]	
Weighted average rate				[X] ⁵⁶²

Opening CNY balance

- At the start of FY2021(ZG), Zhongguo had leftover CNY valued at [X]⁵⁶³. As no information on the opening balance of CNY in CNY terms or the implied rate used to calculate opening balance in SGD terms was provided, CCCS estimated the value of this pool of CNY by using an CNY-SGD rate of 5.07 (based on S&P Capital IQ rate⁵⁶⁴ dated 30 June 2020). Hence, the opening balance of CNY in CNY terms was calculated to be [X] (being [X] * 5.07).

CNY received from inward CNY remittance business

- Zhongguo submitted that it had collected [X] for the purposes of inward CNY remittance in FY2021(ZG), to fulfil an inward CNY remittance obligation of [X]. As such, Zhongguo had calculated the implied inward CNY remittance rate as [X].⁵⁶⁵

CNY purchased from third-party agents

- Zhongguo submitted that it had purchased a total of [X] from third-party agents with [X] in FY2021(ZG). Correspondingly, Zhongguo submitted that the implied weighted CNY exchange rate from third-party agents can be calculated as [X] (being [X] ÷ [X]).⁵⁶⁶

⁵⁶² The weighted average rate of [X] can be calculated by taking total CNY available (ie. [X]) ÷ corresponding total SGD available (ie. [X]).

⁵⁶³ Note 12 of Zhongguo's Financial Statement for FY2021(ZG), which provides that Zhongguo had CNY valued at [X] at the end of financial year dated 30 June 2020.

⁵⁶⁴ S&P's Capital IQ SGD-CNY rates for years 2020 and 2021.

⁵⁶⁵ Emails from NSC & Associates Pac to CCCS dated 8 and 15 August 2024.

⁵⁶⁶ Emails from NSC & Associates Pac to CCCS dated 8 and 15 August 2024.

Zhongguo's weighted average Current Holding rate

4. Hence, the total Current Holding for FY2021(ZG) can be summed up to be [¥] with an overall weighted average rate of [¥].

ANNEX C: Monthly volume and weighted average rate of Hanshan's Current Holding

Months in FY2021 (HS) (Units)	Opening balance rate ⁵⁶⁷ (CNY/SGD)	Inward CNY remittance rate ⁵⁶⁸ (CNY/SGD)	Third-party agent rate ⁵⁶⁹ (CNY/SGD)	Opening balance volume ⁵⁷⁰ (CNY)	Inward CNY remittance volume ⁵⁷¹ (CNY)	Purchases from third-party agents volume ⁵⁷² (CNY)	Weighted average rate of Hanshan's monthly Current Holding (CNY/SGD)
	A	B	C	D	E	F	$G: (D+E+F) / ((D/A) + (E/B) + (F/C))$
1	[X]	[X]	[X]	[X]	[X]	[X]	[X]
2	[X]	[X]	[X]	[X]	[X]	[X]	[X]
3	[X]	[X]	[X]	[X]	[X]	[X]	[X]
4	[X]	[X]	[X]	[X]	[X]	[X]	[X]
5	[X]	[X]	[X]	[X]	[X]	[X]	[X]
6	[X]	[X]	[X]	[X]	[X]	[X]	[X]
7	[X]	[X]	[X]	[X]	[X]	[X]	[X]
8	[X]	[X]	[X]	[X]	[X]	[X]	[X]
9	[X]	[X]	[X]	[X]	[X]	[X]	[X]
10	[X]	[X]	[X]	[X]	[X]	[X]	[X]
11	[X]	[X]	[X]	[X]	[X]	[X]	[X]
12	[X]	[X]	[X]	[X]	[X]	[X]	[X]
Total					[X]	[X]	

⁵⁶⁷ As no information on the first opening balance rate was provided, CCCS assumes the first opening balance rate to be 4.94 based on information provided by S&P Capital IQ as of 31 December 2020. Subsequent opening balance rates of a given month is taken to be the weighted average rate of Hanshan's monthly current holding of the previous month (column G). For example, the opening balance rate of the 3rd month would be the weighted average rate of Hanshan's monthly current holding of the 2nd month (ie. [X]).

⁵⁶⁸ Monthly inward CNY remittance rate is calculated by taking the total amount of CNY collected by Hanshan in a given month for inward CNY remittance divided by total amount of SGD remitted by Hanshan to fulfil its inward CNY remittance obligations in the same month. Annex A2 of Hanshan's response dated 18 March 2025 to CCCS's s 63 notice dated 4 March 2025.

⁵⁶⁹ Monthly third-party agent rate is calculated by taking total CNY purchased from Hanshan's third-party agents in a given month divided by the total amount of corresponding SGD used to purchase the CNY in the same month. Updated Annex A of Hanshan's response dated 11 November 2024 to CCCS's email dated 11 November 2024.

⁵⁷⁰ Monthly opening balance refers to the remaining CNY in Hanshan's possession at the start of a month after adding CNY received from inward remittance and purchases from third-party agents and subtracting the fulfilled outward CNY obligations in the previous month. Updated Annex A of Hanshan's response dated 11 November 2024 to CCCS's email dated 11 November 2024. Annex A2 of Hanshan's response dated 18 March 2025 to CCCS's email dated 4 March 2025.

⁵⁷¹ Monthly inward CNY remittance volume is calculated by taking the total amount of CNY collected by Hanshan in a given month for inward CNY remittance. Annex A2 of Hanshan's response dated 18 March 2025 to CCCS's email dated 4 March 2025.

⁵⁷² Monthly third-party agent volume is calculated by taking the total amount of CNY purchased from Hanshan's third-party agents in a given month. Updated Annex A of Hanshan's response dated 11 November 2024 to CCCS's email dated 11 November 2024.

ANNEX D: Monthly net gain from outward CNY remittance attributable to Hanshan's CNY from Inward Remittance

Months in FY2021 (HS) (Units)	Outward CNY remittance rate ⁵⁷³ (CNY/SGD)	Inward CNY remittance rate ⁵⁷⁴ (CNY/SGD)	Third-Party agent rate ⁵⁷⁵ (CNY/SGD)	Apportioning factor for outward CNY remittance ⁵⁷⁶ (%)	Hanshan's CNY from inward ⁵⁷⁷ (CNY)	Weighted average rate of Hanshan's monthly Current Holding ⁵⁷⁸ (CNY)	Net gain attributed to Hanshan's CNY from inward (SGD)
	A	B	C	"D" = (C-A) / (B-A)	E	F	G:((E/A) - (E/F)) * D
1	[X]	[X]	[X]	[X]	[X]	[X]	[X]
2	[X]	[X]	[X]	[X]	[X]	[X]	[X]
3	[X]	[X]	[X]	[X]	[X]	[X]	[X]
4	[X]	[X]	[X]	[X]	[X]	[X]	[X]
5	[X]	[X]	[X]	[X]	[X]	[X]	[X]
6	[X]	[X]	[X]	[X]	[X]	[X]	[X]
7	[X]	[X]	[X]	[X]	[X]	[X]	[X]
8	[X]	[X]	[X]	[X]	[X]	[X]	[X]
9	[X]	[X]	[X]	[X]	[X]	[X]	[X]
10	[X]	[X]	[X]	[X]	[X]	[X]	[X]
11	[X]	[X]	[X]	[X]	[X]	[X]	[X]
12	[X]	[X]	[X]	[X]	[X]	[X]	[X]
Total					[X]		[X]

⁵⁷³ Monthly outward CNY remittance rate is derived by taking the total amount of CNY remitted by Hanshan to fulfil its outward CNY remittance obligations in the given month divided by total amount of SGD collected by Hanshan for outward CNY remittance in the same given month. Annex A2 of Hanshan's response dated 18 March 2025 to CCCS's email dated 4 March 2025.

⁵⁷⁴ Monthly inward CNY remittance rate is calculated by taking the total amount of CNY collected by Hanshan in a given month for inward CNY remittance divided by total amount of SGD remitted by Hanshan to fulfil its inward CNY remittance obligations in the same month. Annex A2 of Hanshan's response dated 18 March 2025 to CCCS's email dated 4 March 2025.

⁵⁷⁵ Monthly third-party agent rate is calculated by taking total CNY purchased from Hanshan's third-party agents in a given month divided by the total amount of corresponding SGD used to purchase the CNY in the same month. Updated Annex A of Hanshan's response dated 11 November 2024 to CCCS's email dated 11 November 2024.

⁵⁷⁶ [X]

⁵⁷⁷ Monthly Hanshan's CNY from inward is assumed to be the sum of CNY received from Hanshan's inward CNY remittance business for the given month.

⁵⁷⁸ Monthly weighted average rate of Hanshan's monthly Current Holding is calculated under column G of Annex C.

ANNEX E: Monthly net gain from outward CNY remittance attributable to CNY purchased from non-inward remittance sources (ie. CNY from Third-party Agents and Hanshan's opening balance)

Months in FY2021(HS) (Units)	Outward CNY remittance volume fulfilled using non-inward remittance sources ⁵⁷⁹ (CNY)	Outward CNY remittance rate ⁵⁸⁰ (CNY/SGD)	Weighted average rate of Hanshan's monthly Current Holding ⁵⁸¹ (CNY/SGD)	Net gain from outward CNY remittance attributed to HS's CNY from other sources (SGD)
	A	B	C	(A/B) – (A/C)
1	[X]	[X]	[X]	[X]
2	[X]	[X]	[X]	[X]
3	[X]	[X]	[X]	[X]
4	[X]	[X]	[X]	[X]
5	[X]	[X]	[X]	[X]
6	[X]	[X]	[X]	[X]
7	[X]	[X]	[X]	[X]
8	[X]	[X]	[X]	[X]
9	[X]	[X]	[X]	[X]
10	[X]	[X]	[X]	[X]
11	[X]	[X]	[X]	[X]
12	[X]	[X]	[X]	[X]
Total	[X]			[X]

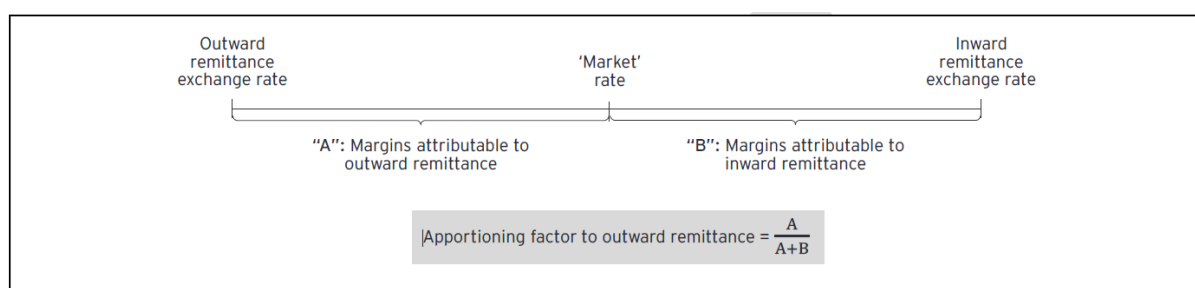
⁵⁷⁹ Monthly outward CNY remittance volume fulfilled using non-inward remittance sources (ie. CNY purchased from third-party agents and from Hanshan's opening balance) is calculated by taking Hanshan's total amount of outward CNY remittance obligations in a given month less the total amount of CNY collected from Hanshan's inward CNY remittance business in the same month. Annex A2 of Hanshan's response dated 18 March 2025 to CCCS's email dated 4 March 2025.

⁵⁸⁰ Monthly outward CNY remittance rate is derived by taking the total amount of CNY remitted by Hanshan to fulfil its outward CNY remittance obligations in the given month divided by total amount of SGD collected by Hanshan for outward CNY remittance in the same given month. Annex A2 of Hanshan's response dated 18 March 2025 to CCCS's email dated 4 March 2025.

⁵⁸¹ Monthly weighted average rate of Hanshan's monthly Current Holding is calculated under column G of Annex C.

ANNEX F: Calculation of Apportioning Factor

1. As mentioned in paragraph 300.c, CCCS applies an apportioning factor to the net gains obtained from outward CNY remittance transactions that are fulfilled by CNY obtained from inward CNY transactions. This apportioning factor is based on the measure of “profitability”.
2. An illustration of the approach CCCS has taken in deriving the apportioning factor, relative to a “market rate” is found below:



3. In the absence of more detailed information on the wholesale rate applicable for purchasing CNY for outward CNY remittance and the wholesale rate applicable for purchasing SGD for inward CNY remittance, CCCS considers that adopting the exchange rate that applied to the Parties' respective purchases of CNY from Third-party Agents (within each period for which apportionment is being calculated) as the “market rate” constitute a reasonable apportionment of the net gain from outward and inward CNY remittance.